

# U.S. International Transactions, Fourth Quarter and Year 2000

By Christopher L. Bach

## FOURTH QUARTER

THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—increased to \$115.3 billion in the fourth quarter of 2000 from \$113.1 billion (revised) in the third quarter (table A).<sup>1</sup> Increases in the goods and services deficit and in net outflows for unilateral current transfers more than accounted for the in-

crease. These increases were partly offset by a decrease in the deficit on income.

In the financial account, net recorded inflows—the result of combining financial flows for U.S.-owned assets abroad with financial flows for foreign-owned assets in the United States—were \$86.6 billion in the fourth quarter, down from \$101.9 billion in the third. Financial outflows for U.S.-owned assets abroad increased more than financial inflows for foreign-owned assets in the United States.

1. Quarterly estimates of U.S. current- and financial-account components are seasonally adjusted when series demonstrate statistically significant patterns. The accompanying tables present both adjusted and unadjusted estimates.

Table A.—Summary of U.S. International Transactions

[Millions of dollars, quarters seasonally adjusted]

| Line | Lines in tables 1 and 10 in which transactions are included are indicated in ( )<br>(Credits +; debits -) | 1999       | 2000 <sup>P</sup> | Change:<br>1999-<br>2000 | 1999     |          |          |          | 2000           |                 |                  |                 |         | Change:<br>2000<br>III-IV |
|------|---|------------|-------------------|--------------------------|----------|----------|----------|----------|----------------|-----------------|------------------|-----------------|---------|---------------------------|
|      |   |            |                   |                          | I        | II       | III      | IV       | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |         |                           |
|      | <b>Current account</b>  |            |                   |                          |          |          |          |          |                |                 |                  |                 |         |                           |
| 1    | Exports of goods and services and income receipts (1) .....   | 1,232,407  | 1,414,925         | 182,518                  | 293,717  | 300,994  | 313,084  | 324,612  | 336,729        | 353,494         | 362,765          | 361,938         | -827    |                           |
| 2    | Goods, balance of payments basis (3) .....  | 684,358    | 773,304           | 88,946                   | 163,949  | 166,443  | 173,881  | 180,085  | 183,659        | 191,713         | 200,836          | 197,096         | -3,740  |                           |
| 3    | Services (4) .....  | 271,884    | 296,227           | 24,343                   | 66,372   | 67,854   | 68,088   | 69,568   | 72,277         | 74,212          | 74,575           | 75,160          | 585     |                           |
| 4    | Income receipts (12) .....  | 276,165    | 345,394           | 69,229                   | 63,396   | 66,697   | 71,115   | 74,959   | 80,793         | 87,569          | 87,354           | 89,682          | 2,328   |                           |
| 5    | Imports of goods and services and income payments (18) .....  | -1,515,861 | -1,797,061        | -281,200                 | -349,513 | -368,439 | -391,337 | -406,575 | -426,410       | -446,399        | -462,926         | -461,332        | 1,594   |                           |
| 6    | Goods, balance of payments basis (20) .....   | -1,029,917 | -1,222,772        | -192,855                 | -236,973 | -250,427 | -266,199 | -276,318 | -289,699       | -302,147        | -315,574         | -315,352        | 222     |                           |
| 7    | Services (21) .....   | -191,296   | -215,239          | -23,943                  | -46,024  | -47,170  | -48,488  | -49,615  | -51,497        | -52,523         | -55,467          | -55,757         | -290    |                           |
| 8    | Income payments (29) .....  | -294,648   | -359,050          | -64,402                  | -66,516  | -70,842  | -76,650  | -80,642  | -85,214        | -91,729         | -91,885          | -90,223         | 1,662   |                           |
| 9    | Unilateral current transfers, net (35) .....  | -48,025    | -53,241           | -5,216                   | -10,831  | -11,537  | -11,396  | -14,260  | -12,087        | -12,334         | -12,949          | -15,872         | -2,923  |                           |
|      | <b>Capital account</b>  |            |                   |                          |          |          |          |          |                |                 |                  |                 |         |                           |
| 10   | Capital account transactions, net (39) .....  | -3,500     | 680               | 4,180                    | 157      | 165      | 171      | -3,993   | 166            | 170             | 167              | 177             | 10      |                           |
|      | <b>Financial account</b>  |            |                   |                          |          |          |          |          |                |                 |                  |                 |         |                           |
| 11   | U.S.-owned assets abroad, net (increase/financial outflow (-)) (40) .....                                 | -430,187   | -553,349          | -123,162                 | -21,555  | -170,842 | -122,909 | -114,882 | -178,947       | -92,413         | -93,420          | -188,566        | -95,146 |                           |
| 12   | U.S. official reserve assets, net (41) .....  | 8,747      | -290              | -9,037                   | 4,068    | 1,159    | 1,951    | 1,569    | -554           | 2,020           | -346             | -1,410          | -1,064  |                           |
| 13   | U.S. Government assets, other than official reserve assets, net (46) .....                                | 2,751      | -715              | -3,466                   | 118      | -392     | -686     | 3,711    | -131           | -574            | 114              | -124            | -238    |                           |
| 14   | U.S. private assets, net (50) .....   | -441,685   | -552,344          | -110,659                 | -25,741  | -171,609 | -124,174 | -120,162 | -178,262       | -93,859         | -93,188          | -187,032        | -93,844 |                           |
| 15   | Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55) .....                 | 753,564    | 952,430           | 198,866                  | 102,780  | 272,008  | 194,210  | 184,567  | 236,638        | 245,252         | 195,325          | 275,211         | 79,886  |                           |
| 16   | Foreign official assets in the United States, net (56) .....  | 42,864     | 35,909            | -6,955                   | 4,274    | -1,096   | 12,191   | 27,495   | 22,015         | 6,346           | 11,901           | -4,353          | -16,254 |                           |
| 17   | Other foreign assets in the United States, net (63) .....   | 710,700    | 916,521           | 205,821                  | 98,506   | 273,104  | 182,019  | 157,072  | 214,623        | 238,906         | 183,424          | 279,564         | 96,140  |                           |
| 18   | Statistical discrepancy (sum of above items with sign reversed) (70) .....                                | 11,602     | 35,616            | 24,014                   | -14,755  | -22,349  | 18,177   | 30,531   | 43,911         | -47,770         | 11,038           | 28,444          | 17,406  |                           |
|      | <b>Memoranda:</b>   |            |                   |                          |          |          |          |          |                |                 |                  |                 |         |                           |
| 19   | Balance on current account (76) .....   | -331,479   | -435,377          | -103,898                 | -66,627  | -78,982  | -89,649  | -96,223  | -101,768       | -105,239        | -113,110         | -115,266        | -2,156  |                           |
| 20   | Net financial flows (40 and 55) .....   | 323,377    | 399,081           | 75,704                   | 81,225   | 101,166  | 71,301   | 69,685   | 57,691         | 152,839         | 101,905          | 86,645          | -15,260 |                           |

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$28.4 billion in the fourth quarter, compared with a positive \$11.0 billion in the third.

The following are highlights for the fourth quarter of 2000:

- Goods exports and goods imports both decreased, ending many successive quarters of large increases. The decline in goods exports was larger than the slight decline in goods imports.
- The deficit on income fell as a result of an increase in earnings on U.S. direct investment abroad and a decrease in earnings on foreign direct investment in the United States.
- Net foreign purchases of U.S. securities other than U.S. Treasury securities remained strong, despite declines in U.S. stock prices and unsettled conditions in the bond market.
- Net financial inflows for foreign direct investment in the United States were much higher, partly as a result of numerous large acquisitions.
- U.S. claims reported both by U.S. banks and by U.S. nonbanks increased sharply to meet a surge in demand for credit abroad. U.S. liabilities reported both by U.S. banks and by U.S. nonbanks also increased sharply and provided some of the funds for the external lending.

### U.S. dollar in exchange markets

In the fourth quarter, the U.S. dollar appreciated 3 percent on a nominal, trade-weighted quarterly average basis against the group of 7 major currencies that are widely traded in international markets (table B, chart 1). The dollar appreciated 4 percent against the euro and 2 percent against the Japanese yen.

In the first half of the quarter, high energy prices and a tight labor market were important concerns for the U.S. economy. In this environment, U.S. monetary authorities left the target Federal funds rate unchanged at 6.5 percent at their meeting in mid-November. However, economic data released later in the quarter—preliminary third-quarter GDP, October durable goods, and November retail sales—indicated that economic growth had slowed appreciably. The slowing in growth was also evidenced by further declines in long-term interest rates, by instability in the bond market, and by further declines in stock prices, partly reflecting an increasing number of corporate profits reports that fell significantly short of expectations. (In recognition of this deceleration, U.S. monetary authorities reduced the target Federal funds rate 50 basis points on January 3, 2001, and another 50 basis points on January 31, 2001.)

Table B.—Indexes of Foreign Currency Price of the U.S. Dollar

[January 1999=100]

|   | 1999  | 2000  |       |       |       | 1999  | 2000  |       |       |       |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   | IV    | I     | II    | III   | IV    | Dec.  | Jan.  | Feb.  | Mar.  | Apr.  | May   | June  | July  | Aug.  | Sept. | Oct.  | Nov.  | Dec.  |
| Nominal: <sup>1</sup>                         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Broad <sup>2</sup>                            | 100.7 | 101.6 | 103.7 | 104.9 | 107.8 | 100.8 | 100.7 | 102.0 | 102.0 | 102.5 | 104.8 | 103.7 | 104.0 | 104.7 | 105.9 | 107.5 | 108.3 | 107.5 |
| Major currencies <sup>3</sup>                 | 101.0 | 103.2 | 106.2 | 108.1 | 111.4 | 101.6 | 101.5 | 103.9 | 104.2 | 104.9 | 108.2 | 105.4 | 106.4 | 108.0 | 109.8 | 111.5 | 112.4 | 110.4 |
| Other important trading partners <sup>4</sup> | 100.4 | 99.5  | 100.6 | 101.0 | 103.2 | 99.8  | 99.7  | 99.7  | 99.2  | 99.6  | 100.6 | 101.6 | 101.1 | 100.7 | 101.3 | 102.6 | 103.3 | 103.8 |
| Real: <sup>1</sup>                            |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Broad <sup>2</sup>                            | 101.0 | 102.0 | 104.8 | 106.2 | 108.6 | 101.0 | 100.9 | 102.2 | 103.0 | 103.6 | 105.8 | 105.0 | 105.4 | 106.0 | 107.1 | 108.5 | 109.1 | 108.2 |
| Major currencies <sup>3</sup>                 | 102.0 | 104.9 | 108.3 | 110.5 | 114.1 | 102.6 | 102.8 | 105.5 | 106.3 | 107.1 | 110.2 | 107.7 | 108.8 | 110.5 | 112.3 | 114.2 | 115.1 | 113.0 |
| Other important trading partners <sup>4</sup> | 99.8  | 98.6  | 100.5 | 100.9 | 102.0 | 99.0  | 98.6  | 98.3  | 98.9  | 99.3  | 100.4 | 101.7 | 101.3 | 100.5 | 100.8 | 101.8 | 101.9 | 102.3 |
| Selected currencies: (nominal) <sup>5</sup>   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Canada  | 96.9  | 95.6  | 97.4  | 97.6  | 100.4 | 96.9  | 95.3  | 95.5  | 96.1  | 96.7  | 98.4  | 97.2  | 97.3  | 97.6  | 97.8  | 99.5  | 101.5 | 100.2 |
| European currencies:                          |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Euro area <sup>6</sup>                        | 111.7 | 117.5 | 124.2 | 128.3 | 133.5 | 114.6 | 114.4 | 117.9 | 120.2 | 122.7 | 128.0 | 121.9 | 123.5 | 128.1 | 133.3 | 136.0 | 135.5 | 129.0 |
| United Kingdom                                | 101.2 | 102.7 | 107.6 | 111.8 | 114.1 | 102.3 | 100.6 | 103.1 | 104.4 | 104.3 | 109.3 | 109.3 | 109.4 | 110.8 | 115.1 | 113.7 | 115.7 | 112.8 |
| Switzerland                                   | 111.3 | 117.6 | 120.9 | 123.3 | 126.0 | 114.3 | 114.8 | 118.0 | 120.2 | 124.1 | 118.5 | 119.2 | 123.8 | 126.9 | 128.1 | 128.3 | 121.6 | 121.6 |
| Japan   | 92.1  | 94.4  | 94.2  | 95.1  | 97.0  | 90.5  | 92.9  | 96.6  | 93.8  | 93.2  | 95.6  | 93.7  | 95.5  | 95.4  | 94.3  | 95.7  | 96.2  | 99.0  |
| Mexico  | 93.5  | 92.8  | 94.6  | 92.3  | 93.9  | 93.1  | 93.7  | 93.1  | 91.7  | 92.8  | 93.9  | 97.1  | 93.0  | 91.5  | 92.4  | 94.2  | 93.9  | 93.5  |
| Brazil  | 126.6 | 117.4 | 119.2 | 120.1 | 127.7 | 122.0 | 119.4 | 117.5 | 115.2 | 117.0 | 120.9 | 119.7 | 118.9 | 119.6 | 121.7 | 124.4 | 128.9 | 129.8 |

1. For more information on the nominal and real indexes of the foreign exchange value of the U.S. dollar, see *Federal Reserve Bulletin*, vol. 84 (October 1998): 811–18.

2. Weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of U.S. trading partners, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, United Kingdom, Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that circulate widely outside the country of issue, including the currencies of euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, and the United Kingdom. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the major currency index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

4. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that do not circulate widely outside the country of issue, including the currencies of Argentina, Brazil, Chile, Colombia, Mex-

ico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the other important trading partners index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

5. Data: Federal Reserve Board. Monthly and quarterly average rates. Indexes prepared by BEA.

6. The euro area includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain. Exchange rates (but not index values with January 1999=100) for the individual euro area currencies can be derived from the euro exchange rate by using the fixed conversion rates (in currencies per euro) as shown below: 13.7603 Austrian schillings; 40.3399 Belgian francs; 5.94573 Finnish markkas; 6.55957 French francs; 1.95583 German marks; 787564 Irish pounds; 1936.27 Italian lira; 40.3399 Luxembourg francs; 2.20371 Netherlands guilders; 200.482 Portuguese escudos; 166.386 Spanish pesetas.

Concurrently, concerns in Europe centered on inflation. The European Central Bank raised its rate on refinancing operations 25 basis points to 4.75 percent in early October to counter the inflationary effects of the euro's depreciation and high energy prices. When the euro continued to depreciate, the European Central Bank intervened in the exchange markets on several occasions in early November to raise the euro's value. The euro recouped some of its earlier losses in December, but the reversal was temporary, as depreciation resumed in January. (The European Central Bank left its rate on refinancing operations unchanged in January 2001.)

The U.S. dollar appreciated against the Japanese yen amid few indications that sustained expansion had taken hold and amid some speculation that the Japanese economy may have, in fact, weakened further.

## Current Account

### Goods and services

The deficit on goods and services increased to \$98.9 billion in the fourth quarter from \$95.6 billion in the third. The deficit on goods increased \$3.5 billion, and the surplus on services increased \$0.3 billion.

**Goods.**—The deficit on goods increased to \$118.3 billion in the fourth quarter from \$114.7 billion in the third. The increase resulted from a larger decrease in exports than in imports (table A).

**Exports.**—Exports decreased \$3.7 billion, or 2 percent, to \$197.1 billion in the fourth quarter. Quantities decreased 2 percent, and prices were unchanged.<sup>2</sup>

In value, nonagricultural exports decreased \$3.2 billion, or 2 percent, to \$183.8 billion. Much of the decrease was accounted for by capital goods, which declined \$2.3 billion after an increase of \$4.9 billion in the third quarter. Semiconductors, telecommunications equipment, and computers, peripherals, and parts all had sizable decreases, following especially large increases in recent quarters. These decreases reflected the worldwide slowdown in sales and production of high-technology equipment. "Other" industrial, agricultural, and service industry machinery also shifted to a decrease from an especially large increase. Civilian aircraft continued to decrease. Consumer goods decreased \$0.6 billion, and automotive vehicles, engines, and parts decreased \$0.6 billion, primarily in shipments to Canada. Agricultural products decreased \$0.6 billion, largely in shipments of corn and soybeans. Industrial supplies and materials increased \$0.5 billion; higher shipments of energy products were partly offset by decreases in chemicals and in paper and paper base stocks.

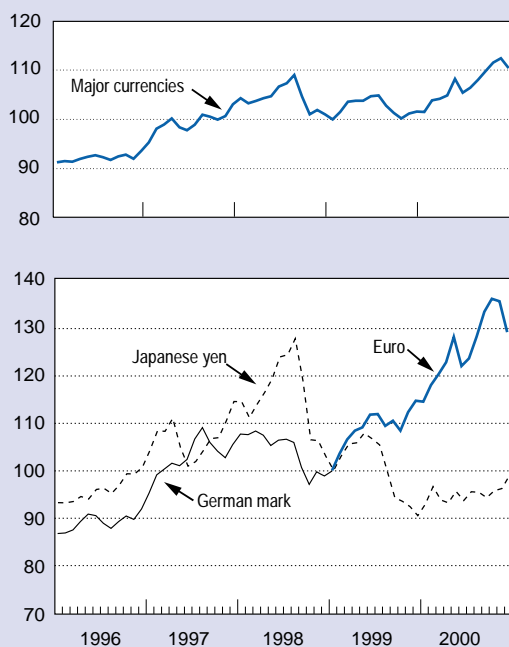
**Imports.**—Imports decreased \$0.2 billion, or less than 1 percent, to \$315.4 billion in the fourth quarter. Quantities decreased less than 1 percent, and prices were unchanged.

In value, nonpetroleum products decreased \$0.5 billion, or less than 1 percent, to \$283.3 billion. This was the first decrease since the third quarter of 1995. In contrast to the third quarter when imports of all major commodity categories

CHART 1

### Nominal Indexes of Foreign Currency Price of the U.S. Dollar

January 1999=100



Note.—See table B for definitions of the indexes. Monthly average rates.

Data: Federal Reserve Board. Indexes rebased by BEA.

U.S. Bureau of Economic Analysis

2. Quantity (real) estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters. Real estimates are expressed as chained (1996) dollars. Price indexes (1996=100) are also calculated using a chain-type Fisher formula.

increased, imports in the fourth quarter were mixed.

Automotive vehicles, engines, and parts fell \$2.2 billion, the first decrease since the third quarter of 1998. Imports of parts and complete autos, mostly from Mexico, fell in response to declines in U.S. domestic sales and production. Capital goods changed little after especially large increases in the two previous quarters. Sizable increases continued in telecommunications equipment and in civilian aircraft and parts. However, computers, peripherals, and parts and semiconductors fell by substantial amounts in response to reduced sales and large inventories. Consumer goods increased \$1.3 billion. Nonpetroleum industrial supplies and materials increased \$0.7 billion; nonferrous metals were higher, while iron and steel products and chemicals were sharply lower.

Petroleum imports slowed to an increase of only \$0.3 billion, or 1 percent, to \$32.1 billion in the fourth quarter. The average price per barrel increased further to \$29.14 per barrel, the highest level since the fourth quarter of 1982. The average number of barrels imported daily fell to 12.06 million from 12.12 million. Consumption, production, and inventories all fell.

**Balances by area.**—The deficit on goods increased \$3.5 billion, to \$118.3 billion, in the fourth quarter, compared with an increase of \$4.3 billion in the third.<sup>3</sup> The deficit with Western Europe was up \$1.7 billion, with Canada, up \$3.3 billion, and with Japan, up \$1.8 billion. These higher deficits were partly offset by a \$3.4 billion decrease in the deficit with countries in Asia, excluding Japan.

**Services.**—The surplus on services increased to \$19.4 billion in the fourth quarter from \$19.1 billion in the third (table A).

Foreign visitors spent \$21.8 billion on travel to the United States, up 2 percent. Receipts from overseas visitors were \$18.9 billion, up 2 percent. Receipts from Canada decreased 3 percent, and receipts from Mexico changed little. Payments by U.S. travelers were \$16.9 billion, up 3 percent. Payments for overseas travel were \$13.5 billion,

up 3 percent. Payments to Canada were up 4 percent, and payments to Mexico were up 5 percent.

Passenger fare receipts were \$5.5 billion, up 1 percent, and passenger fare payments were \$6.2 billion, up 5 percent.

“Other” transportation receipts were \$7.5 billion, down 2 percent. Port expenditure receipts decreased slightly as a result of lower ocean port services receipts. Freight receipts decreased slightly as a result of lower revenues of U.S. air carriers. “Other” transportation payments were \$10.7 billion, up 1 percent. Freight payments accounted for the increase, partly due to an increase in container rates imposed at the beginning of September. Port expenditure payments were unchanged.

Royalties and license fees receipts were \$9.6 billion, up \$0.2 billion. Royalties and license fees payments were \$4.2 billion, down \$0.6 billion; payments had been boosted in the third quarter by payments for broadcast rights to the Summer Olympic Games.

“Other” private services receipts were \$26.9 billion, up from \$26.7 billion. Business, professional, and technical receipts increased, while financial services receipts dropped as conditions in U.S. financial markets deteriorated rapidly. “Other” private services payments were little changed at \$13.4 billion. Among the changes, insurance payments increased, and financial services payments fell as a result of increased uncertainties in financial markets abroad.

Transfers under U.S. military agency sales contracts were little changed at \$3.6 billion. Direct defense expenditures abroad changed little at \$3.6 billion.

### Revisions to the Third-Quarter 2000 Estimates

As a result of incorporating newly available, more complete source data, the estimates of the international transactions accounts for the third quarter of 2000 have been revised from the preliminary estimates that were published in the January 2001 SURVEY OF CURRENT BUSINESS. In addition, data for all quarters have been revised to ensure that the seasonally adjusted estimates sum to the same annual totals as the unadjusted estimates.

The current-account deficit for the third quarter was revised to \$113.1 billion from \$113.8 billion. The goods deficit was revised to \$114.7 billion from \$115.4 billion, the services surplus was revised to \$19.1 billion from \$18.9 billion, the deficit on income was unrevised at \$4.5 billion, and net unilateral current transfers were revised to outflows of \$12.9 billion from outflows of \$12.8 billion. Net financial inflows were revised to \$101.9 billion from \$123.0 billion.

3. Seasonally adjusted estimates for exports for areas and countries are derived by applying seasonal factors for total U.S. agricultural and nonagricultural exports to the unadjusted agricultural and nonagricultural exports for areas and countries and then summing the seasonally adjusted estimates. Seasonally adjusted estimates for imports for areas and countries are derived by applying seasonal factors for total U.S. petroleum and nonpetroleum imports to the unadjusted petroleum and nonpetroleum imports for areas and countries and then summing the seasonally adjusted estimates. (The seasonal factors are derived from the seasonal adjustment of U.S. exports and U.S. imports by five-digit end-use commodity category.)

## **Income**

The deficit on income decreased to \$0.5 billion in the fourth quarter from \$4.5 billion in the third (table A).

*Investment income.*—Receipts of investment income on U.S.-owned assets abroad increased to \$89.1 billion in the fourth quarter from \$86.8 billion in the third (table A). Direct investment receipts accounted for much of the increase, though “other” private receipts also increased. Payments of income on foreign-owned assets in the United States decreased to \$88.2 billion from \$89.9 billion. A decrease in direct investment payments more than accounted for the decrease; “other” private payments increased.

Receipts of income on U.S. direct investment abroad increased to \$39.7 billion in the fourth quarter from \$37.9 billion in the third. Earnings growth was largest in “other” industries, particularly finance, and in petroleum. In finance, earnings benefitted from high volumes of conventional bond and stock transactions and of transactions in financial derivatives at investment and brokerage affiliates abroad. In petroleum, high petroleum prices continued to sustain strong earnings. In manufacturing, earnings decreased, particularly in transportation equipment and electronics.

Payments of income on foreign direct investment in the United States decreased to \$13.5 billion in the fourth quarter from \$16.3 billion in the third. The decrease was centered in manufacturing, particularly in chemicals and in automotive, which had begun to weaken in the third quarter and weakened substantially more in the fourth. Earnings of petroleum affiliates and earnings of “other” industries changed little.

Receipts of income on “other” private investment increased to \$48.6 billion from \$48.1 billion. The increase was due to higher amounts outstanding of both bank and nonbank claims. Income on foreign securities decreased, mostly because of lower holdings of bonds.

Payments of income on “other” private investment increased to \$47.4 billion from \$46.3 billion. The increase was due to higher amounts outstanding of both bank and nonbank liabilities. Income on U.S. securities also rose; however, a sizable increase in holdings was largely offset by a decline in rates.

Receipts of income on U.S. Government investment decreased slightly to \$0.7 billion. Payments of income on U.S. Government liabilities were virtually unchanged at \$27.3 billion.

*Compensation of employees.*—Receipts for compensation of U.S. workers abroad were unchanged at \$0.6 billion. Payments for compensation of foreign workers in the United States increased to \$2.0 billion from \$1.9 billion.

## **Unilateral current transfers**

Unilateral current transfers were net outflows of \$15.9 billion in the fourth quarter, up from \$12.9 billion in the third (table A). The increase was more than accounted for by U.S. Government grants, which increased to \$6.7 billion from \$3.6 billion, mostly as a result of cash grants to Israel—\$2.0 billion under the credit waiver program to finance military purchases and \$0.8 billion for economic support.

## **Capital Account**

Net capital account inflows were \$0.2 billion in the fourth quarter, unchanged from the third (table A).

## **Financial Account**

Net recorded financial inflows—the result of combining financial flows for U.S.-owned assets abroad with financial flows for foreign-owned assets in the United States—were \$86.6 billion in the fourth quarter, compared with \$101.9 billion (revised) in the third. Financial outflows for U.S.-owned assets abroad increased more than financial inflows for foreign-owned assets in the United States.

## **U.S.-owned assets abroad**

Net U.S.-owned assets abroad increased \$188.6 billion in the fourth quarter, compared with an increase of \$93.4 billion in the third. U.S. claims reported by U.S. banks and by U.S. nonbanks were sharply higher. Net outflows for U.S. direct investment abroad were moderately higher, and net U.S. purchases of foreign securities were lower.

*Official reserve assets.*—U.S. official reserve assets increased \$1.4 billion in the fourth quarter, following a \$0.3 billion increase in the third. The increase in the fourth quarter was largely the result of International Monetary Fund (IMF) lending to Turkey and Argentina, which increased the U.S. reserve position at the IMF.

*Claims reported by banks and by nonbanks.*—U.S. claims on foreigners reported by U.S. banks increased \$67.0 billion in the fourth quarter, up

strongly from an increase of \$6.0 billion in the third.

Banks' own claims payable in dollars increased \$55.7 billion, following an increase of \$13.2 billion. The surge in demand for bank credit partly resulted from a shift in preferences to short-term bank financing when conditions in bond markets deteriorated. Because only the highest rated borrowers were able to obtain funds at attractive rates in bond markets, borrowers turned to banks for short-term funds. The fourth-quarter surge also reflected the continued need for a large volume of funds to finance acquisitions, consolidations, and buyouts—largely in Europe—until more permanent financing could be arranged in the securities markets. Claims of both U.S.-owned and foreign-owned banks were higher; foreign-owned banks' claims increased mainly in October and November, and U.S.-owned banks' claims increased mainly in December. Some lending in December was for yearend bookkeeping operations.

Banks' domestic customers' claims payable in dollars increased \$13.6 billion, following a decrease of \$1.9 billion. Foreign commercial paper issued in the United States increased \$14.4 billion. Reflecting increased uncertainties in the bond markets and a deterioration in credit quality, spreads for many borrowers were sharply higher, forcing them to turn to the commercial paper market for short-term funds. The largest increases in commercial paper issues were from Western Europe, Canada, and the Caribbean.

Nonbank claims on foreigners increased \$50.1 billion in the fourth quarter. Nonbanks responded to many of the same factors as banks, supplying a large amount of credit to foreigners. Combined, nonbanks and banks supplied \$117.1 billion to foreign financial markets in the quarter.

*Foreign securities.*—Net U.S. purchases of foreign securities were \$24.9 billion in the fourth quarter, down from \$33.2 billion in the third.

Net U.S. purchases of foreign stocks were \$22.6 billion, consisting of \$24.7 billion in merger-related exchanges of stock and \$2.1 billion in net sales of outstanding stocks. Many of the merger-related exchanges of stock were with Western Europe, where they totaled \$15.7 billion. Net sales of outstanding stocks reflected concerns about telecommunications and information technology

stocks, uncertainty about how quickly economic growth abroad might slow, and generally high interest rates, particularly in Europe. For the quarter, stock prices, stated in local currency terms, fell 3 percent Western Europe, 11 percent in Japan, 10 percent in the Far East (excluding Japan), and 6 percent in Latin America. Technology-related issues fell by substantially larger amounts than the broad indexes. Trading activity in foreign stocks—that is, gross purchases plus gross sales—increased 1 percent.

Net U.S. purchases of foreign bonds were \$2.3 billion, down from \$18.0 billion. Foreign new bond issues in the United States slowed substantially, declining to \$12.4 billion from \$22.9 billion. Credit risk premiums rose considerably for all but the highest rated corporate borrowers; this rise eliminated many low rated corporate borrowers from the U.S. bond market. Even some highly rated corporate borrowers postponed new issues until the first quarter, when interest rates were expected to be lower. Most new issues for the fourth quarter were by foreign corporations; they included a jumbo issue by a large European telecommunications company that accounted for nearly 60 percent of new foreign bond issues. This issue had been announced in mid-summer, but final pricing was not completed until late in the fourth quarter; substantial pricing incentives had to be added to the offering to offset increased tightness in the U.S. bond market and a significant increase in the credit risks associated with telecommunications issues. Transactions in outstanding bonds, excluding redemptions, shifted to net sales of \$3.2 billion from net purchases of \$1.0 billion. Trading activity increased 17 percent in the fourth quarter, reaching the highest trading volume of the year.

*Direct investment.*—Net financial outflows for U.S. direct investment abroad were \$45.0 billion in the fourth quarter, up from \$36.2 billion in the third. Net equity capital outflows increased to \$20.8 billion from \$12.3 billion; outflows were boosted by acquisitions in optical equipment, communications hardware and software, and computer programming services. Reinvested earnings increased to \$27.5 billion from \$25.4 billion. In contrast, intercompany debt inflows increased to \$3.4 billion from \$1.5 billion.

### Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$275.2 billion in the fourth quarter, compared with an increase of \$195.3 billion in the third. U.S. liabilities reported by U.S. banks and by U.S. nonbanks were sharply higher, as were net inflows for foreign direct investment in the United States. Net foreign purchases of U.S. securities other than U.S. Treasury securities remained strong.

**Foreign official assets.**—Foreign official assets in the United States decreased \$4.4 billion in the fourth quarter, following an increase of \$11.9 billion in the third. In the fourth quarter, assets of many industrial countries decreased, and assets of developing countries increased a small amount (table C).

**Liabilities reported by banks and by nonbanks.**—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$42.8 billion in the fourth quarter, following a decrease of \$1.4 billion in the third.

Banks' own liabilities payable in dollars increased \$19.8 billion, following an increase of \$7.8 billion. A large share of the funds were borrowed from branches in the Caribbean and probably transferred to Western Europe to meet the surge in demand associated with acquisitions and consolidations. Additional funds were borrowed and likely transferred to Western Europe to accommodate a shift to short-term borrowing by those unable to obtain longer term funds in the bond markets at advantageous rates because of their deteriorating credit ratings. Additional funds were borrowed to fund yearend bookkeeping operations abroad.

Banks' liabilities to other private foreigners decreased \$3.5 billion, following an increase of \$6.6 billion. The decrease largely reflected the pay down of liabilities of U.S. securities dealers to international bond funds in the Caribbean.

Banks' custody liabilities increased \$25.1 billion, after decreasing \$4.3 billion. The increase in readily transferrable instruments may have reflected the unusual amount of uncertainty in financial markets, both in the United States and abroad.

Nonbanks' liabilities to unaffiliated foreigners increased \$22.1 billion, following an increase of \$1.5 billion. Although sizable, the increase was only half the size of the increase in funds supplied to foreigners by U.S. banks. Combined, nonbanks and banks borrowed \$64.9 billion from foreign financial markets in the quarter.

**U.S. Treasury securities.**—Net foreign sales of U.S. Treasury securities were \$9.8 billion in the fourth quarter, down from \$12.5 billion in the third. Foreign investors sold long-term bonds for liquidity needs or reinvested the proceeds in other financial instruments, including U.S. Treasury bills and agency bonds.

**Other U.S. securities.**—Net foreign purchases of U.S. securities other than U.S. Treasury securities increased to \$123.9 billion in the fourth quarter from \$122.4 billion in the third.

Net foreign purchases of U.S. stocks fell to \$36.5 billion from \$47.8 billion. Offshore investment funds in the Caribbean were net sellers of \$10.4 billion in stocks, following net purchases of \$2.3 billion. Demand from Europe remained strong, with net purchases of \$31.7 billion, compared with \$38.4 billion. Despite the unfavorable news of

**Table C.—Selected Transactions with Official Agencies**

[Millions of dollars]

|  | 1999   | 2000 <sup>P</sup> | Change:<br>1999–<br>2000 | 1999   |        |        |        | 2000   |        |                  |                 | Change:<br>2000<br>III–IV |
|--|--------|-------------------|--------------------------|--------|--------|--------|--------|--------|--------|------------------|-----------------|---------------------------|
|  |        |                   |                          | I      | II     | III    | IV     | I      | II     | III <sup>r</sup> | IV <sup>P</sup> |                           |
| Changes in foreign official assets in the United States, net (decrease –) (table 1, line 56) ..... | 42,864 | 35,909            | –6,955                   | 4,274  | –1,096 | 12,191 | 27,495 | 22,015 | 6,346  | 11,901           | –4,353          | –16,254                   |
| Industrial countries <sup>1</sup> .....  | 31,119 | 13,126            | –17,993                  | 3,342  | 1,314  | 13,988 | 12,475 | 12,416 | 13,698 | –3,517           | –9,471          | –5,954                    |
| Members of OPEC <sup>2</sup> .....   | 1,331  | 11,989            | 10,658                   | 2,155  | 1,632  | –783   | –1,673 | 6,109  | 1,913  | 3,803            | 164             | –3,639                    |
| Other countries .....  | 10,414 | 10,794            | 380                      | –1,223 | –4,042 | –1,014 | 16,693 | 3,490  | –9,265 | 11,615           | 4,954           | –6,661                    |
| Changes in U.S. official reserve assets, net (increase –) (table 1, line 41) .....                 | 8,747  | –290              | –9,037                   | 4,068  | 1,159  | 1,951  | 1,569  | –554   | 2,020  | –346             | –1,410          | –1,064                    |

<sup>r</sup> Revised.

<sup>P</sup> Preliminary.

1. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

2. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning January 1993 and Gabon beginning January 1995.

slower growth in the United States, investors continued to view the U.S. market more favorably than their own. Stock valuations adjusted downward rapidly, as announced corporate profits fell short of expectations, especially for technology-related companies, and as the economy shifted to appreciably slower growth. While the Dow industrial index edged up 1.3 percent, the S&P 500 index lost 8 percent, and the Nasdaq index lost 33 percent. Trading activity increased 7 percent in the fourth quarter, compared with a decrease of 4 percent in the third.

Net foreign purchases of bonds increased to a record \$87.4 billion from \$74.6 billion. Net foreign purchases of outstanding corporate bonds were \$39.3 billion, up from \$22.2 billion. Investment-grade corporate bonds continued to outperform high-yield bonds, amid concerns about the amount of corporate debt that had accumulated over recent quarters and the ability to service that debt in a period of declining sales and profits. Investment-grade bonds posted a total return of 3.4 percent for the quarter, while high-yield bonds posted a total loss of 4.8 percent. High-yield spreads increased 211 basis points in the fourth quarter, following an increase of 60 basis points in the third.

New corporate bonds issued abroad dropped to \$9.9 billion from \$23.8 billion; only the highest rated issuers were able to obtain favorable credit terms as conditions in global capital markets tightened. Many new issues were postponed until the first quarter of 2001.

Net foreign purchases of U.S. agency bonds increased to a record \$38.2 billion, surpassing last quarter's record of \$28.6 billion. Net purchases were bolstered by the continued increase in demand for investment-grade bonds, amid an

increasingly volatile equity market and heightened credit risk in the bond market. Agency bonds outperformed all other bond sectors in the quarter with a total return of 5.1 percent.

Trading activity in U.S. bonds increased 9 percent in the fourth quarter, compared with an increase of 4 percent in the third.

*U.S. currency flows.*—Net U.S. currency shipments were \$6.2 billion in the fourth quarter, up from \$0.8 billion in the third, as shipments returned to a more usual quarterly flow.

*Direct investment.*—Net financial inflows for foreign direct investment in the United States were \$94.4 billion in the fourth quarter, up from \$72.7 billion in the third. Net equity capital inflows increased to \$80.1 billion from \$39.9 billion as a large number of foreign acquisitions of U.S. companies were completed. The acquisitions were in banking, securities brokerage, investment management, communications, technology products, foods, and pharmaceuticals. In contrast, net inter-company debt inflows were \$11.2 billion, down from \$27.5 billion, largely the result of a smaller increase in U.S. affiliates' payables. Reinvested earnings decreased to \$3.1 billion from \$5.3 billion.

### THE YEAR 2000

The U.S. current-account deficit increased to a record \$435.4 billion in 2000 from the previous record of \$331.5 billion in 1999. Most of the increase was attributable to an increase in the deficit on goods and services, though net outflows for unilateral current transfers also increased. These increases were partly offset by a decrease in the deficit on income (table D).

**Table D.—Selected Balances on U.S. International Transactions**

[Millions of dollars, quarters seasonally adjusted]

| (Credits +; debits -)                   | 1998     | 1999     | 2000 <sup>P</sup> | 2000           |                 |                  |                 |
|---|----------|----------|-------------------|----------------|-----------------|------------------|-----------------|
|   |          |          |                   | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |
| Balance on goods .....                  | -246,854 | -345,559 | -449,468          | -106,040       | -110,434        | -114,738         | -118,256        |
| Balance on services .....               | 79,956   | 80,588   | 80,988            | 20,780         | 21,689          | 19,108           | 19,403          |
| Balance on income .....                 | -6,211   | -18,483  | -13,656           | -4,421         | -4,160          | -4,531           | -541            |
| Investment income, net .....            | -1,036   | -13,102  | -8,142            | -3,050         | -2,769          | -3,184           | 864             |
| Direct, net .....                       | 67,728   | 62,704   | 83,776            | 17,026         | 18,973          | 21,537           | 26,241          |
| Other private, net .....                | 18,754   | 16,128   | 11,926            | 4,924          | 3,946           | 1,836            | 1,220           |
| U.S. Government, net .....              | -87,518  | -91,934  | -103,844          | -25,000        | -25,688         | -26,557          | -26,597         |
| Compensation of employees, net .....    | -5,175   | -5,381   | -5,514            | -1,371         | -1,391          | -1,347           | -1,405          |
| Unilateral current transfers, net ..... | -44,029  | -48,025  | -53,241           | -12,087        | -12,334         | -12,949          | -15,872         |
| Balance on current account .....        | -217,138 | -331,479 | -435,377          | -101,768       | -105,239        | -113,110         | -115,266        |

<sup>r</sup> Revised.

<sup>P</sup> Preliminary.



In the financial account, net recorded inflows were \$399.1 billion in 2000, compared with \$323.4 billion in 1999. Financial inflows for foreign-owned assets in the United States increased more than financial outflows for U.S.-owned assets abroad.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$35.6 billion in 2000, compared with a positive \$11.6 billion in 1999.

The following are highlights for 2000:

- The U.S. current-account deficit was substantially higher as a result of a rise in the deficit on goods.
- The deficit on income was somewhat lower after a sizable increase in 1999.
- Financial inflows into the United States increased by a very substantial amount, led by inflows into U.S. securities other than U.S. Treasury securities. Inflows into U.S. corporate stocks and bonds were exceptionally strong for the second consecutive year. Inflows for foreign direct investment in the United States also increased by a substantial amount, as an especially high number of large acquisitions of U.S. companies by foreign companies were completed.
- Financial outflows from U.S. banks and financial

inflows to U.S. banks were substantially larger than in 1999. U.S. banks were sizable net suppliers of funds to financial markets abroad in 2000, whereas they were very small net suppliers in 1999. Financial outflows from U.S. nonbanks and financial inflows to U.S. nonbanks were also substantially larger than in 1999. U.S. nonbanks were sizable net suppliers of funds to financial markets abroad in both years.

- Financial outflows for net U.S. direct investment abroad were larger than in 1999 and continued to include numerous large acquisitions of foreign companies.
- Financial outflows for net U.S. purchases of foreign securities remained strong, partly as a result of exchanges of stock related to foreign acquisitions of U.S. companies.

### *U.S. dollar in exchange markets*

After changing little in 1999, the dollar resumed its appreciation in 2000, rising 5 percent on a nominal, trade-weighted yearly average basis against the group of 7 currencies that are widely traded in international markets (table B, chart 1). The dollar appreciated 15 percent against the euro. In contrast, the dollar depreciated 5 percent against the Japanese yen.

In the first quarter, the dollar appreciated strongly against the euro as a result of exceptional growth in the U.S. economy. Analysts expected that U.S. growth would continue to outpace growth in Europe by a substantial amount and that despite rising energy prices, U.S. inflation would remain moderate. Given the pace of U.S. expansion and the accompanying rise in credit demands in the banking and securities markets, both long-term and short-term interest rates rose sharply. Dollar-denominated assets maintained the significant yield advantage over euro-denominated assets that had emerged in the last half of 1999, contributing to sizable capital inflows (charts 2 and 3). The strength of the U.S. economy prompted U.S. monetary authorities to raise the target Federal funds rate to 6.0 percent during the quarter. Economic activity also accelerated substantially in the euro area, but the growth was less rapid than in the United States. The European Central Bank responded by raising its refinancing rate to 3.5 percent.

Rapid U.S. economic growth continued well into mid-year. Many analysts questioned the likelihood that such rapid growth could continue without bringing on higher inflation, while others

### **Data Availability**

The current and historical estimates presented in tables 1–10a of the U.S. international transactions accounts are available as compressed files on BEA's Web site at <[www.bea.doc.gov](http://www.bea.doc.gov)>; click on "Catalog of Products," and look under "International Accounts Products," "Balance of Payments."

The estimates are also available from BEA on the following diskettes:

*U.S. International Transactions.* The most recently released annual and quarterly estimates are available as a 1-year subscription (four installments)—product number IDS-0001, price \$80. The subscription also includes the diskette of the historical series estimates (see below).

*U.S. International Transactions, Fourth Quarter 2000.* Annual estimates for 1999 and quarterly estimates for 1999:I–2000:IV on a single diskette—product number IDN-0280, price \$20.

*U.S. International Transactions, Historical Series.* All the available historical annual and quarterly estimates on a single diskette—product number IDN-0261, price \$20.

To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, call 202-606-9666).

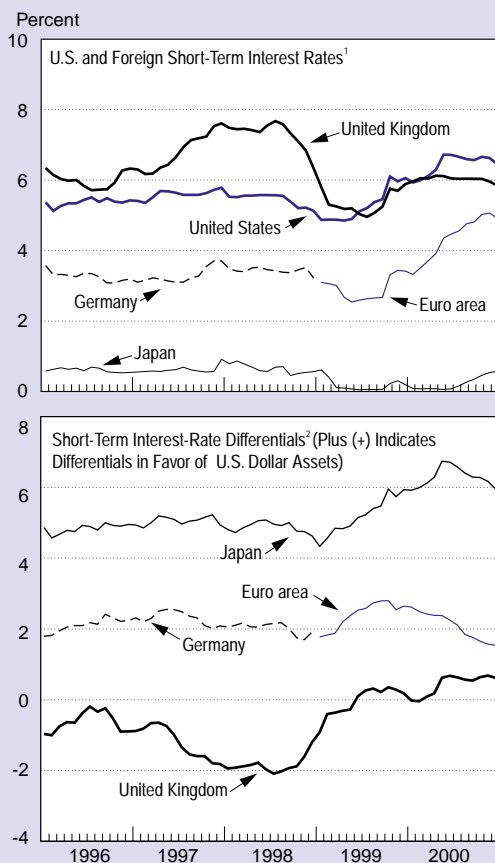
pointed to increases in productivity that suggested inflation would likely remain moderate. In this environment, U.S. short-term interest rates continued to rise, while long-term rates turned down in April, and U.S. stocks fell sharply from their peak valuations of late March. U.S. monetary authorities responded to the rapid growth and strong credit demands by raising the target Federal funds rate 50 basis points to 6.5 percent in mid-May. As U.S. economic growth exceeded that in the euro area by a wide margin, capital continued to flow into the United States, and the dollar continued to appreciate. In Europe, the European Central Bank raised its refinancing rate to 4.25 percent to restrain actual and anticipated price pressures; as a result, the interest-rate differential in favor of U.S. assets narrowed somewhat.

Dollar appreciation moderated in the third quarter. Early signs indicated that economic

growth was moderating and that inflation was not accelerating despite continued increases in oil prices and a tight labor market. Long-term interest rates continued to fall, while short-term interest rates remained high. Equity prices continued to decline, particularly for technology stocks. U.S. monetary authorities left the Federal funds rate unchanged after having raised it 175 basis points to 6.5 percent from June 1999 to May 2000. Amid fresh indications that inflation in the euro area might be accelerating, the European Central Bank raised its refinancing rate 25 basis points to 4.5 percent, further narrowing the differential between euro area and U.S. short-term interest rates. Nonetheless, confidence in the strength of the U.S. economy remained high, and the euro continued to decline against the dollar. In an effort to halt the decline, the European Central Bank and monetary authorities in the United States, Japan,

CHART 2

## Short-Term Interest Rates



1. Three-month interest rates.

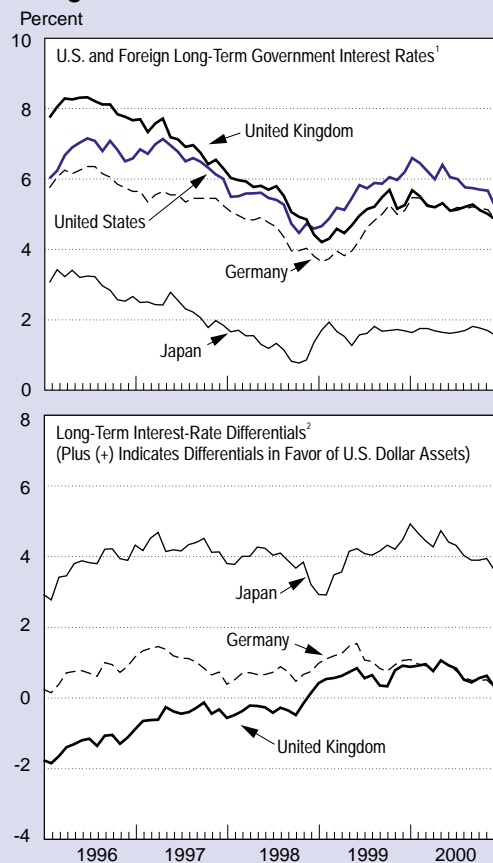
2. U.S. interest rates less respective foreign interest rates.

Data: Federal Reserve Board.

U.S. Bureau of Economic Analysis

CHART 3

## Long-Term Interest Rates



1. Long-term government bonds, 10-year maturities.

2. U.S. interest rates less respective foreign interest rates.

Data: Federal Reserve Board.

U.S. Bureau of Economic Analysis

the United Kingdom, and Canada intervened in the currency markets on September 22 by purchasing euros.

In the fourth quarter, evidence accumulated that the U.S. economy had slowed appreciably from its rapid expansion in the first half of the year. Long-term interest rates fell further, and short-term rates turned down at the end of the quarter, partly as a result of a slackening in final demand. U.S. stock prices also fell further. Final sales slowed, corporate profits were lower than anticipated, and consumer confidence eroded quickly. Nonetheless, the dollar continued to appreciate strongly against the euro. In early October, the European Central Bank, still concerned about actual and potential inflation, raised its refinancing rate 25 basis points to 4.75 percent, and in early November, the Bank intervened on several occasions to boost the value of the euro in exchange markets. In December, the euro regained some of its lost value as European expansion continued and as short-term interest rates in the euro area rose relative to those in the United States. The appreciation was temporary, however, as the euro resumed its depreciation in the first quarter of 2001.

The dollar depreciated 5 percent against the Japanese yen in 2000. Early in the year, the dollar appreciated because of signs that the Japanese economy was contracting. During the second quarter, the yen strengthened after intervention in

exchange markets by Japanese authorities and comments by Japanese authorities about possible increases in interest rates. In response to some indications that the Japanese economy might be gaining strength, Japanese monetary authorities increased the overnight call rate to 0.25 percent in mid-August from the near-zero rate that had prevailed for more than a year. However, concerns arose that the tightening of monetary policy might hinder the recovery of the Japanese economy, and in the fourth quarter, the dollar appreciated amid accumulating evidence that sustained expansion had not taken hold and that confidence in the Japanese economy was weakening.

## Current Account

### Goods and services

The deficit on goods and services increased to \$368.5 billion in 2000 from \$265.0 billion in 1999. The deficit on goods increased; the surplus on services changed little (table D).

**Goods.**—The deficit on goods increased to \$449.5 billion in 2000 from \$345.6 billion in 1999. Imports and exports both increased by very large amounts in 2000.

Goods exports increased \$88.9 billion, or 13 percent, to \$773.3 billion in 2000 after increasing \$14.0 billion, or 2 percent in 1999. The increase was concentrated in capital goods, which had

**Table E.—U.S. Trade in Goods, Current and Chained (1996) Dollars**

[Balance of payments basis, millions of dollars, quarters seasonally adjusted]

|   | Current dollars |                  |                   |                |                 |                  |                 |  | Chained (1996) dollars <sup>1</sup> |                  |                   |                |                 |                  |                 |  |
|---|-----------------|------------------|-------------------|----------------|-----------------|------------------|-----------------|--|-------------------------------------|------------------|-------------------|----------------|-----------------|------------------|-----------------|--|
|   | 1998            | 1999             | 2000 <sup>P</sup> | 2000           |                 |                  |                 |  | 1998                                | 1999             | 2000 <sup>P</sup> | 2000           |                 |                  |                 |  |
|   |                 |                  |                   | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |  |                                     |                  |                   | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |  |
| <b>Exports</b> .....                              | <b>670,324</b>  | <b>684,358</b>   | <b>773,304</b>    | <b>183,659</b> | <b>191,713</b>  | <b>200,836</b>   | <b>197,096</b>  |  | <b>711,246</b>                      | <b>736,199</b>   | <b>823,066</b>    | <b>196,007</b> | <b>203,950</b>  | <b>213,655</b>   | <b>209,454</b>  |  |
| Agricultural products .....                       | 53,105          | 49,619           | 53,214            | 13,012         | 13,083          | 13,842           | 13,277          |  | 62,549                              | 63,131           | 68,936            | 16,811         | 16,730          | 18,285           | 17,110          |  |
| Nonagricultural products .....                    | 617,219         | 634,739          | 720,090           | 170,647        | 178,630         | 186,994          | 183,819         |  | 648,364                             | 672,845          | 753,568           | 179,251        | 187,047         | 195,192          | 192,078         |  |
| Foods, feeds, and beverages .....                 | 46,397          | 45,532           | 47,826            | 11,704         | 11,763          | 12,453           | 11,906          |  | 55,061                              | 56,608           | 60,531            | 14,759         | 14,631          | 16,089           | 15,052          |  |
| Industrial supplies and materials .....           | 148,269         | 147,029          | 172,192           | 41,756         | 41,717          | 44,091           | 44,628          |  | 157,345                             | 158,378          | 174,482           | 42,871         | 42,266          | 44,402           | 44,943          |  |
| Capital goods, except automotive .....            | 300,129         | 311,775          | 356,820           | 81,584         | 89,242          | 94,166           | 91,828          |  | 324,418                             | 342,557          | 394,807           | 90,348         | 98,828          | 104,051          | 101,580         |  |
| Automotive vehicles, parts, and engines .....     | 73,157          | 75,755           | 80,005            | 20,109         | 20,040          | 20,241           | 19,615          |  | 72,486                              | 74,577           | 78,111            | 19,676         | 19,570          | 19,728           | 19,137          |  |
| Consumer goods (nonfood), except automotive ..... | 79,262          | 80,768           | 89,167            | 21,829         | 22,137          | 22,922           | 22,279          |  | 78,673                              | 80,445           | 88,416            | 21,634         | 21,940          | 22,718           | 22,124          |  |
| Exports, n.e.c. ....                              | 23,110          | 23,499           | 27,294            | 6,677          | 6,814           | 6,963            | 6,840           |  | 23,901                              | 24,581           | 28,204            | 6,912          | 7,039           | 7,216            | 7,037           |  |
| <b>Imports</b> .....                              | <b>917,178</b>  | <b>1,029,917</b> | <b>1,222,772</b>  | <b>289,699</b> | <b>302,147</b>  | <b>315,574</b>   | <b>315,352</b>  |  | <b>1,017,149</b>                    | <b>1,140,418</b> | <b>1,295,085</b>  | <b>309,177</b> | <b>321,775</b>  | <b>332,533</b>   | <b>331,600</b>  |  |
| Petroleum and products .....                      | 50,903          | 67,807           | 120,277           | 27,067         | 29,322          | 31,814           | 32,074          |  | 81,418                              | 81,498           | 86,060            | 20,474         | 22,080          | 21,805           | 21,701          |  |
| Nonpetroleum products .....                       | 866,275         | 962,110          | 1,102,495         | 262,632        | 272,825         | 283,760          | 283,278         |  | 935,464                             | 1,056,193        | 1,204,864         | 287,658        | 298,169         | 309,782          | 309,255         |  |
| Foods, feeds, and beverages .....                 | 41,243          | 43,578           | 45,982            | 11,143         | 11,408          | 11,824           | 11,607          |  | 42,206                              | 46,111           | 49,456            | 11,842         | 12,201          | 12,769           | 12,644          |  |
| Industrial supplies and materials .....           | 203,095         | 224,800          | 301,349           | 71,566         | 72,960          | 77,911           | 78,912          |  | 243,522                             | 249,010          | 263,205           | 65,477         | 65,494          | 66,364           | 65,870          |  |
| Capital goods, except automotive .....            | 269,557         | 297,112          | 352,233           | 81,128         | 87,184          | 91,911           | 92,010          |  | 328,248                             | 378,199          | 460,457           | 105,088        | 113,521         | 120,302          | 121,546         |  |
| Automotive vehicles, parts, and engines .....     | 149,054         | 179,392          | 196,266           | 48,329         | 48,860          | 50,643           | 48,434          |  | 148,573                             | 177,557          | 192,888           | 47,662         | 47,996          | 49,699           | 47,531          |  |
| Consumer goods (nonfood), except automotive ..... | 216,654         | 239,607          | 275,902           | 65,195         | 69,178          | 70,120           | 71,409          |  | 222,283                             | 247,485          | 287,504           | 67,630         | 72,060          | 73,118           | 74,696          |  |
| Imports, n.e.c., and U.S. goods returned .....    | 37,575          | 45,428           | 51,040            | 12,338         | 12,557          | 13,165           | 12,980          |  | 37,833                              | 45,759           | 50,961            | 12,375         | 12,570          | 13,113           | 12,903          |  |

<sup>r</sup> Revised.

<sup>P</sup> Preliminary.

n.e.c. Not elsewhere classified.

1. Because chain indexes use weights of more than one period, the corresponding chained dollar estimates are usually not additive.

accounted for virtually all of the growth in 1999, and in industrial supplies and materials (tables E and F).

Goods imports increased \$192.9 billion, or 19 percent, to \$1,222.8 billion in 2000 after increasing \$112.7 billion, or 12 percent, in 1999. Petroleum imports increased \$52.5 billion, or 77 percent, up from a 33-percent increase. Nonpetroleum imports increased \$140.4 billion, or 15 percent, up from an 11-percent increase. Increases in capital goods, consumer goods, and industrial supplies and materials were especially strong, but the increase in autos was about half the increase in 1999.

U.S. export growth in 2000 was stimulated by the substantial pickup in economic growth in industrial and less developed countries that began early in 1999 and continued through much of 2000 (chart 4). Real GDP growth in many countries in Western Europe and in many Asian countries was considerably stronger in 2000 than in 1999. Growth in Canada and Japan was slightly stronger than in 1999.

U.S. import growth increased substantially in 2000, as the U.S. economy continued to grow very strongly. Growth in U.S. real GDP was 5.0 percent in 2000, following increases of 4.2 percent in 1999 and 4.4 percent in 1998.

**Table F.—Percent Changes in U.S. Trade in Goods, Current and Chained (1996) Dollars**

[Balance of payments basis]

|   | Current dollars |             |                   | Chained (1996) dollars |             |                   |
|---|-----------------|-------------|-------------------|------------------------|-------------|-------------------|
|   | 1998            | 1999        | 2000 <sup>P</sup> | 1998                   | 1999        | 2000 <sup>P</sup> |
| <b>Exports</b> .....                              | <b>-1.4</b>     | <b>2.1</b>  | <b>13.0</b>       | <b>1.8</b>             | <b>3.5</b>  | <b>11.8</b>       |
| Agricultural products .....                       | -9.1            | -6.6        | 7.2               | 0                      | .9          | 9.2               |
| Nonagricultural products .....                    | -7              | 2.8         | 13.4              | 2.0                    | 3.8         | 12.0              |
| Foods, feeds, and beverages .....                 | -9.9            | -1.9        | 5.0               | -1.0                   | 2.8         | 6.9               |
| Industrial supplies and materials .....           | -6.3            | -8          | 17.1              | -1.0                   | .7          | 10.2              |
| Capital goods, except automotive .....            | 1.5             | 3.9         | 14.4              | 4.3                    | 5.6         | 15.3              |
| Automotive vehicles, parts, and engines .....     | -1.2            | 3.6         | 5.6               | -1.3                   | 2.9         | 4.7               |
| Consumer goods (nonfood), except automotive ..... | 2.5             | 1.9         | 10.4              | 2.5                    | 2.3         | 9.9               |
| Exports, n.e.c. ....                              | 1.4             | 1.7         | 16.1              | 3.8                    | 2.8         | 14.7              |
| <b>Imports</b> .....                              | <b>4.7</b>      | <b>12.3</b> | <b>18.7</b>       | <b>11.3</b>            | <b>12.1</b> | <b>13.6</b>       |
| Petroleum and products .....                      | -29.1           | 33.2        | 77.4              | 7.0                    | .1          | 5.6               |
| Nonpetroleum products .....                       | 7.7             | 11.1        | 14.6              | 11.6                   | 12.9        | 14.1              |
| Foods, feeds, and beverages .....                 | 3.9             | 5.7         | 5.5               | 7.3                    | 9.3         | 7.3               |
| Industrial supplies and materials .....           | -6.6            | 10.7        | 34.1              | 9.7                    | 2.3         | 5.7               |
| Capital goods, except automotive .....            | 6.4             | 10.2        | 18.6              | 14.7                   | 15.2        | 21.7              |
| Automotive vehicles, parts, and engines .....     | 6.6             | 20.4        | 9.4               | 6.5                    | 19.5        | 8.6               |
| Consumer goods (nonfood), except automotive ..... | 11.7            | 10.6        | 15.1              | 13.2                   | 11.3        | 16.2              |
| Imports, n.e.c., and U.S. goods returned .....    | 16.4            | 20.9        | 12.4              | 16.6                   | 20.9        | 11.4              |

<sup>P</sup> Preliminary.

n.e.c. Not elsewhere classified.

Domestic prices of most exports increased slightly in 2000, following a decrease in 1999. The largest increases were in industrial supplies and materials and in the civilian aircraft component of capital goods. Prices of computers and foods decreased, but by less than in 1999 (table G). When converted into foreign currencies, most price increases were larger, because depreciation of foreign currencies added to the increases (table H).

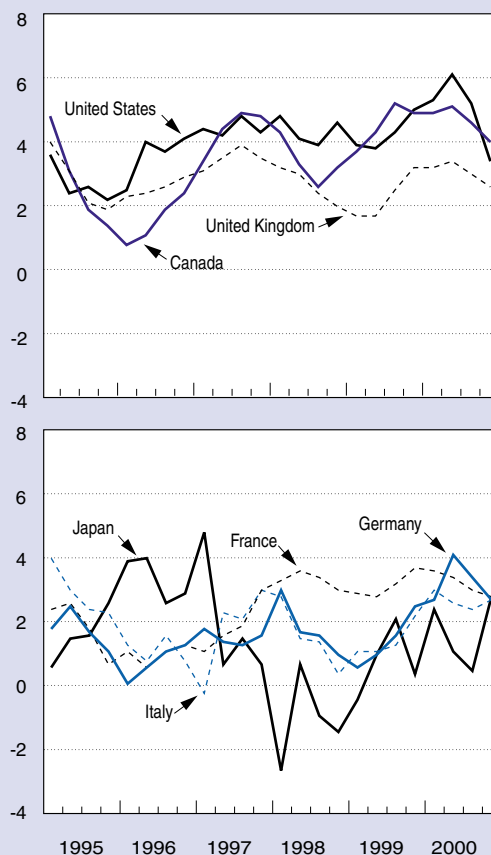
Dollar prices of imports increased. Prices of petroleum and petroleum products were sharply higher. However, prices of most nonpetroleum imports changed little; computer prices declined, but less than in 1999 (table G).

**Exports.**—Nonagricultural exports increased \$85.4 billion, or 13 percent, to \$720.1 billion in 2000,

**CHART 4**

**Major Industrial Countries:  
Real GDP**

Percent change from four quarters earlier



U.S. Bureau of Economic Analysis

following a \$17.5 billion, or 3 percent, increase in 1999. Quantities increased 12 percent, and prices increased 1 percent. In value, capital goods accounted for more than half of the increase. Nonagricultural industrial supplies and materials jumped sharply. Agricultural goods increased after 3 years of decline (chart 5).

Capital goods, except automotive, increased \$45.0 billion, or 14 percent, up from an increase of \$11.6 billion, or 4 percent. Semiconductors; computers, peripherals, and parts; and telecommunications equipment jumped \$27.8 billion, or 23 percent, up from a 12-percent increase. In 2000, these commodities accounted for over half of the increase in capital goods and over 30 percent of the increase in total exports. Semiconductors—mainly

to Asia, Latin America, and Western Europe—increased \$13.0 billion, or 28 percent, following an increase of 25 percent. Computers, peripherals, and parts—mainly to Western Europe, Canada, and Asia—increased \$8.9 billion, or 19 percent, following an increase of 3 percent. Telecommunications equipment—mainly to Western Europe, Canada, and Mexico—increased \$5.9 billion, or 22 percent, following a 7-percent increase in 1999.

**Table G.—Percent Changes in U.S. Goods Trade  
Chain-Weighted Price Indexes**

[Based on index numbers (1996=100)]

|   | 1998        | 1999        | 2000 <sup>P</sup> |
|---|-------------|-------------|-------------------|
| <b>Exports</b> .....                              | <b>-3.1</b> | <b>-1.4</b> | <b>1.1</b>        |
| Agricultural products .....                       | -9.1        | -7.4        | -1.8              |
| Nonagricultural products .....                    | -2.6        | -8          | 1.3               |
| Foods, feeds, and beverages .....                 | -9.0        | -4.6        | -1.7              |
| Industrial supplies and materials .....           | -5.4        | -1.5        | 6.4               |
| Capital goods, except automotive .....            | -2.7        | -1.6        | -7                |
| Computers, peripherals, and parts .....           | -12.2       | -9.4        | -5.4              |
| Civilian aircraft, engines, and parts .....       | 1.4         | 2.3         | 3.7               |
| Other capital goods .....                         | -1.4        | -7          | -5                |
| Automotive vehicles, parts, and engines .....     | .1          | .7          | .8                |
| Consumer goods (nonfood), except automotive ..... | .1          | -4          | .4                |
| Exports, n.e.c. ....                              | -2.3        | -1.1        | 1.3               |
| <b>Imports</b> .....                              | <b>-5.9</b> | <b>.1</b>   | <b>4.5</b>        |
| Petroleum and products .....                      | -33.7       | 33.1        | 68.0              |
| Nonpetroleum products .....                       | -3.5        | -1.6        | .4                |
| Foods, feeds, and beverages .....                 | -3.2        | -3.3        | -1.6              |
| Industrial supplies and materials .....           | -14.8       | 8.2         | 26.9              |
| Capital goods, except automotive .....            | -7.2        | -4.3        | -2.7              |
| Computers, peripherals, and parts .....           | -17.1       | -12.8       | -6.4              |
| Civilian aircraft, engines, and parts .....       | 1.7         | 1.8         | 2.6               |
| Other capital goods .....                         | -3.9        | -1.3        | -1.6              |
| Automotive vehicles, parts, and engines .....     | .1          | .7          | .8                |
| Consumer goods (nonfood), except automotive ..... | -1.3        | -7          | -9                |
| Imports, n.e.c., and U.S. goods returned .....    | -2          | 0           | .9                |

<sup>P</sup> Preliminary.

n.e.c. Not elsewhere classified.

**Table H.—Percent Changes in Foreign Currency Cost of  
U.S. Exports of Goods**

[Based on index numbers (1996=100)]

|   | 1998       | 1999        | 2000 <sup>P</sup> |
|---|------------|-------------|-------------------|
| <b>Exports</b> .....                              | <b>1.8</b> | <b>-3.2</b> | <b>5.8</b>        |
| Agricultural products .....                       | -4.5       | -9.1        | 2.8               |
| Nonagricultural products .....                    | 2.3        | -2.7        | 6.0               |
| Foods, feeds, and beverages .....                 | -4.4       | -6.4        | 2.9               |
| Industrial supplies and materials .....           | -7         | -3.3        | 11.3              |
| Capital goods, except automotive .....            | 2.1        | -3.4        | 4.0               |
| Computers, peripherals, and parts .....           | -7.8       | -11.1       | -1.0              |
| Civilian aircraft, engines, and parts .....       | 6.4        | .4          | 8.6               |
| Other capital goods .....                         | 3.6        | -2.6        | 4.1               |
| Automotive vehicles, parts, and engines .....     | 5.1        | -1.2        | 5.5               |
| Consumer goods (nonfood), except automotive ..... | 5.1        | -2.2        | 5.1               |
| Exports, n.e.c. ....                              | 2.6        | -3.0        | 6.0               |

<sup>P</sup> Preliminary.

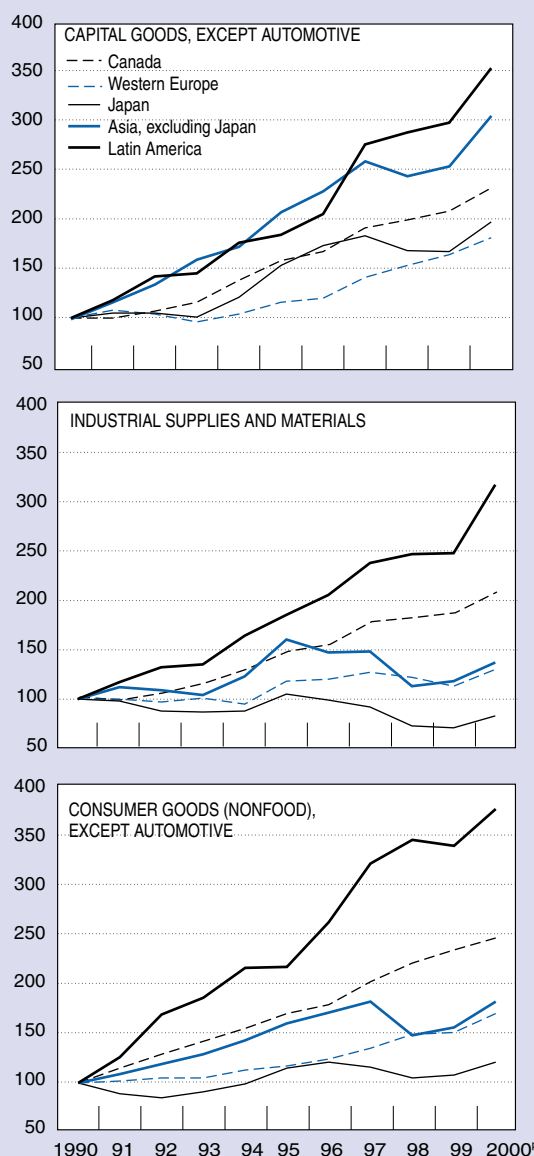
n.e.c. Not elsewhere classified.

NOTE.—Chain-weighted price indexes multiplied by trade-weighted exchange rate index of the currencies of Australia, Austria, Belgium, Canada, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, and United Kingdom.

**CHART 5**

### Growth in Exports by Selected Commodity Categories and Areas

1990=100



<sup>P</sup> Preliminary

U.S. Bureau of Economic Analysis

Increases in “other” industrial, agricultural, and service industry machinery—mainly to the newly industrialized countries in Asia, Western Europe, and Japan—and in electric generating equipment—mainly to Mexico, Asia, and Western Europe—were also up sharply (table I).

In contrast, exports of civilian aircraft and parts fell \$4.9 billion, or 9 percent, following a decrease of 1 percent. A strike at a major manufacturing plant early in the year and production difficulties thereafter slowed shipments of complete aircraft significantly. Most of the falloff was in deliveries to

**Table I.—U.S. Trade in Capital Goods, except Automotive**

[Balance of payments basis, millions of dollars]

|  | 1995           | 1996           | 1997           | 1998           | 1999           | 2000 <sup>P</sup> |
|--|----------------|----------------|----------------|----------------|----------------|-------------------|
| <b>Exports</b> .....   | <b>233,778</b> | <b>253,252</b> | <b>295,741</b> | <b>300,129</b> | <b>311,775</b> | <b>356,820</b>    |
| Computers, peripherals, and parts .....                              | 39,654         | 43,719         | 49,361         | 45,246         | 46,724         | 55,606            |
| Semiconductors .....   | 34,153         | 35,768         | 38,861         | 37,649         | 46,962         | 59,995            |
| Telecommunications equipment .....                                   | 20,248         | 20,323         | 23,995         | 24,956         | 26,622         | 32,568            |
| Scientific, hospital, and medical equipment and parts .....          | 13,073         | 14,748         | 16,114         | 15,773         | 16,780         | 19,174            |
| Industrial, agricultural, and service industry machinery .....       | 37,088         | 40,178         | 45,620         | 42,802         | 43,097         | 51,084            |
| Machine tools, metalworking equipment, and control instruments ..... | 14,259         | 15,607         | 18,275         | 18,815         | 19,335         | 23,718            |
| Oil drilling, mining, and construction machinery .....               | 11,517         | 12,693         | 15,964         | 15,943         | 11,987         | 12,666            |
| Industrial engines, pumps, and compressors .....                     | 10,160         | 10,287         | 12,614         | 11,727         | 11,899         | 12,454            |
| Electric generating machinery, electric apparatus, and parts .....   | 23,040         | 24,112         | 27,977         | 27,301         | 29,403         | 35,875            |
| Civilian aircraft, engines, and parts .....                          | 26,128         | 30,792         | 41,358         | 53,548         | 52,921         | 48,042            |
| Other capital goods, n.e.c. ....                                     | 4,458          | 5,025          | 5,602          | 6,369          | 6,045          | 5,638             |
| <b>Imports</b> .....   | <b>221,429</b> | <b>228,075</b> | <b>253,281</b> | <b>269,557</b> | <b>297,112</b> | <b>352,233</b>    |
| Computers, peripherals, and parts .....                              | 56,277         | 61,513         | 70,176         | 72,474         | 81,456         | 89,788            |
| Semiconductors .....   | 39,042         | 36,707         | 36,881         | 33,417         | 37,628         | 48,333            |
| Telecommunications equipment .....                                   | 15,331         | 13,360         | 14,774         | 17,073         | 23,939         | 37,999            |
| Scientific, hospital, and medical equipment and parts .....          | 6,669          | 7,209          | 8,153          | 9,580          | 11,340         | 14,148            |
| Industrial, agricultural, and service industry machinery .....       | 36,707         | 38,195         | 41,552         | 44,400         | 45,849         | 51,263            |
| Machine tools, metalworking equipment, and control instruments ..... | 12,245         | 13,463         | 14,973         | 16,173         | 15,496         | 18,098            |
| Oil drilling, mining, and construction machinery .....               | 5,481          | 5,201          | 6,381          | 8,007          | 7,026          | 7,217             |
| Industrial engines, pumps, and compressors .....                     | 6,176          | 6,266          | 6,541          | 7,338          | 8,258          | 10,047            |
| Electric generating machinery, electric apparatus, and parts .....   | 24,150         | 24,749         | 27,920         | 29,074         | 32,836         | 39,786            |
| Civilian aircraft, engines, and parts .....                          | 10,709         | 12,671         | 16,598         | 21,814         | 23,773         | 26,328            |
| Other capital goods, n.e.c. ....                                     | 8,642          | 8,741          | 9,332          | 10,207         | 9,511          | 9,226             |

<sup>P</sup> Preliminary.  
n.e.c. Not elsewhere classified.

**Table J.—U.S. Trade in Nonagricultural Industrial Supplies and Materials**

[Balance of payments basis, millions of dollars]

|  | 1995           | 1996           | 1997           | 1998           | 1999           | 2000 <sup>P</sup> |
|--|----------------|----------------|----------------|----------------|----------------|-------------------|
| <b>Exports</b> .....   | <b>135,483</b> | <b>137,961</b> | <b>147,672</b> | <b>138,490</b> | <b>139,253</b> | <b>162,919</b>    |
| Energy products .....  | 13,778         | 15,556         | 16,521         | 13,294         | 12,819         | 16,598            |
| Chemicals, excluding medicinals .....                        | 42,985         | 42,472         | 46,865         | 44,980         | 45,959         | 52,460            |
| Paper and paper base stocks .....                            | 14,487         | 12,483         | 12,785         | 12,151         | 12,174         | 14,152            |
| Textile supplies and related materials .....                 | 9,284          | 9,555          | 10,700         | 8,918          | 9,215          | 10,663            |
| Building materials, except metals .....                      | 9,061          | 9,261          | 9,482          | 7,977          | 8,166          | 8,771             |
| Other nonmetals .....  | 13,410         | 15,262         | 16,655         | 18,010         | 18,467         | 21,178            |
| Metals and nonmetallic products .....                        | 32,478         | 33,372         | 34,664         | 33,160         | 32,453         | 39,097            |
| Steelmaking materials and iron and steel products .....      | 8,574          | 7,565          | 8,186          | 7,328          | 7,138          | 8,525             |
| Nonferrous metals .....                                      | 14,602         | 15,481         | 15,027         | 14,234         | 13,540         | 16,058            |
| Other metals and nonmetallic products .....                  | 9,302          | 10,326         | 11,451         | 11,598         | 11,775         | 14,514            |
| <b>Imports</b> .....   | <b>179,434</b> | <b>203,015</b> | <b>211,106</b> | <b>197,205</b> | <b>219,271</b> | <b>295,770</b>    |
| Energy products .....  | 62,178         | 80,257         | 80,242         | 59,436         | 78,222         | 136,892           |
| Chemicals, excluding medicinals .....                        | 25,552         | 26,897         | 29,164         | 29,238         | 30,173         | 34,497            |
| Paper and paper base stocks .....                            | 12,879         | 10,871         | 10,676         | 11,223         | 11,614         | 13,725            |
| Textile supplies and related materials .....                 | 8,617          | 8,843          | 10,107         | 10,348         | 10,303         | 11,260            |
| Building materials, except metals .....                      | 12,819         | 15,035         | 16,822         | 17,909         | 21,824         | 21,809            |
| Other nonmetals .....  | 12,503         | 13,353         | 14,147         | 14,618         | 15,821         | 17,876            |
| Metals and nonmetallic products .....                        | 44,886         | 47,759         | 49,948         | 54,433         | 51,314         | 59,711            |
| Steelmaking materials and iron and steel products .....      | 19,133         | 20,265         | 21,163         | 24,457         | 20,916         | 24,008            |
| Nonferrous metals .....                                      | 20,260         | 21,679         | 22,035         | 22,836         | 22,797         | 26,633            |
| Other metals and nonmetallic products .....                  | 5,493          | 5,815          | 6,750          | 7,140          | 7,601          | 9,070             |
| <b>Memorandum:</b>   |                |                |                |                |                |                   |
| Nonpetroleum industrial supplies and materials imports ..... | 128,850        | 136,733        | 145,585        | 152,192        | 156,993        | 181,072           |

<sup>P</sup> Preliminary.

Western Europe and Asia. Deliveries of aircraft engines increased, mainly to Western Europe, Canada, and Japan.

Nonagricultural industrial supplies and materials increased \$23.7 billion, or 17 percent, following an increase of \$0.8 billion, or 1 percent. Metals and nonmetallic products increased \$6.6 billion, following decreases in each of the last 2 years; the increases were in nonmonetary gold and other precious metals to Western Europe, copper to China and Mexico, aluminum to Canada and China, and other precious and nonferrous metals to Japan. Chemicals increased \$6.5 billion to all areas, up substantially from last year. Petroleum and products increased \$3.4 billion, largely to Mexico. Paper products and textile products—largely to Mexico, Canada, and Western Europe—were also up substantially (table J).

Consumer goods increased \$8.4 billion, or 10 percent, following an increase of \$1.5 billion, or 2 percent. Durable goods and nondurable goods each increased about 10 percent.

Automotive vehicles, engines, and parts increased \$4.3 billion, or 6 percent, up from an increase of \$2.6 billion, or 4 percent. Higher shipments of parts to Mexico, where a growing share of U.S. production now takes place, accounted for much of the increase. Exports of complete autos and of parts to Canada, where U.S. production also occurs, fell in 2000, in contrast to a large increase in 1999.

Agricultural products increased \$3.6 billion, or 7 percent, following 3 consecutive years of sizable declines. In 2000, growth was led by meat and poultry products, which increased \$1.2 billion, largely to Japan, Mexico, Korea, and Canada; prices increased 3 percent. Cotton increased \$1.0 billion, largely to Mexico, Turkey, Asia, and Latin America; prices increased 5 percent. Soybeans increased \$0.7 billion, \$0.6 billion of which was to China; prices increased 4 percent.

*Imports.*—Nonpetroleum imports increased \$140.4 billion, or 15 percent, to \$1,102.5 billion in 2000, following an increase of \$95.8 billion, or 11 percent, in 1999. Quantities increased 14 percent, and prices increased 1 percent. In value, capital goods, consumer goods, and nonpetroleum industrial supplies and materials each jumped strongly. Automotive products increased less than in 1999 (chart 6).

Capital goods, except automotive, jumped \$55.1 billion, or 19 percent, following an increase of

\$27.6 billion, or 10 percent. The increase in value was twice that of 1999. High-technology products dominated the increase, accounting for more than 60 percent of the growth in capital goods in 2000. Within the group, telecommunications equipment increased \$14.1 billion, up from the 1999 increase of \$6.9 billion; imports from all major areas rose, but especially from Canada, Asia, and Mexico. Semiconductors increased \$10.7 billion, compared with the 1999 increase of \$4.2 billion; imports from Asia accounted for nearly two-thirds of the increase. Computers, peripherals, and parts increased \$8.3 billion, compared with the 1999 increase of \$9.0 billion; imports from Asia accounted for nearly three-fourths of the increase. "Other" industrial, agricultural, and service industry machinery grew substantially; imports of these products jumped \$5.4 billion—largely from Japan and Western Europe—compared with the 1999 increase of \$1.4 billion (table I).

Civilian aircraft, engines, and parts continued to grow at a moderate pace, increasing \$2.6 billion; the increase was more than accounted for by complete aircraft. Since 1998, imports of complete aircraft have been rising, mostly from Western Europe, while those of engines and parts have fallen as U.S. production has slowed, especially in 2000.

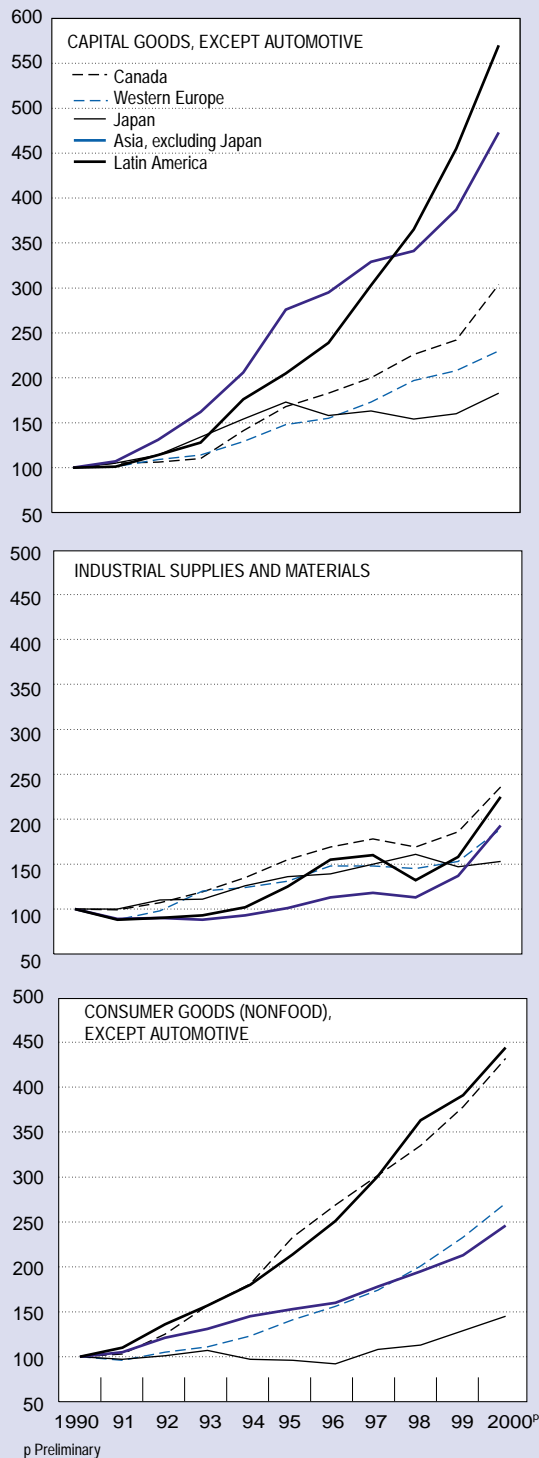
Consumer goods jumped \$36.3 billion, or 15 percent, following an increase of \$23.0 billion, or 11 percent. This is the fourth consecutive year of double-digit growth. Within durable goods, home entertainment goods, largely from Asia, and household goods, largely from China, continued to rise steadily. Recreational equipment and coins, gems, jewelry, and collectibles also rose. Within nondurable goods, apparel and footwear were higher.

Nonpetroleum industrial supplies and materials surged \$24.1 billion, or 15 percent, up from an increase of \$4.8 billion, or 3 percent. The increase in 2000 was more than the combined increases in the previous 3 years. Metals and nonmetallic products, which accounted for one-third of the increase in 2000, increased \$8.4 billion, compared with a decrease of \$3.1 billion in 1999; the increase was largely due to stronger imports of iron and steel products and steelmaking materials from Asia, Latin America, and Eastern Europe. Precious metals also increased. Among nonmetals, chemicals, largely from Asia and Canada, increased a record \$4.3 billion, compared with the 1999 increase of \$0.9 billion. Paper and paper base stocks, mainly

CHART 6

## Growth in Imports by Selected Commodity Categories and Areas

1990=100



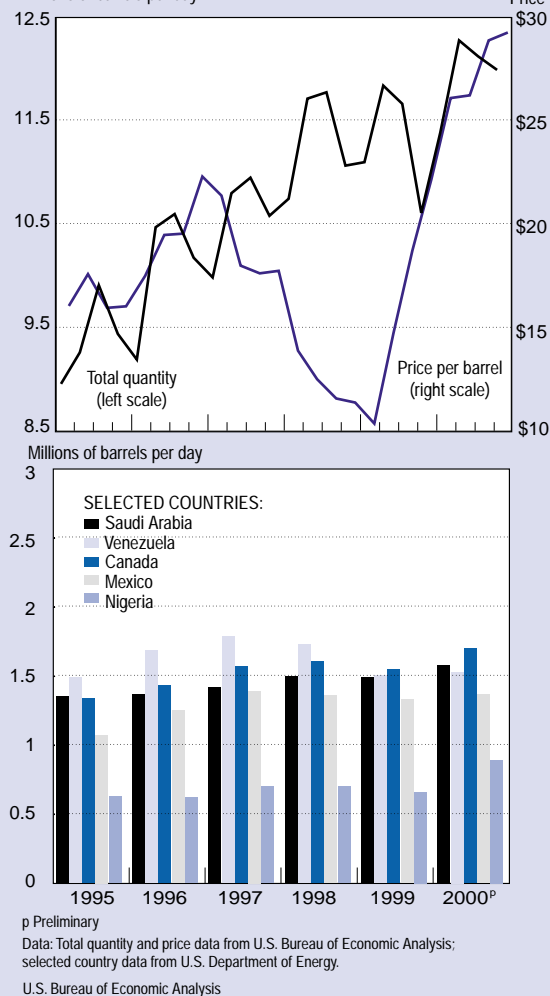
from Canada, also rose strongly. Building materials were unchanged, following 8 consecutive years of growth. Among energy products, excluding petroleum, both natural gas and electric energy from Canada surged in 2000; the increases were partly attributable to sharp increases in prices, especially late in the year (table J).

Automotive vehicles, engines, and parts slowed sharply from an especially strong increase in 1999; imports increased \$16.9 billion, or 9 percent, in 2000, compared with \$30.3 billion, or 20 percent, in 1999. Passenger cars and parts from Canada

CHART 7

## U.S. Petroleum Imports and Price, Total and from Selected Countries

Millions of barrels per day





changed little in 2000, following an increase of \$12.5 billion, while those from Mexico and other areas increased \$16.8 billion, a little less than in 1999. Slowing U.S. auto sales in the second and third quarters and sharply lower sales in the fourth held down the increases from both areas.

Petroleum and products increased a record \$52.5 billion, or 77 percent, to \$120.3 billion in 2000, following an increase of \$16.9 billion, or 33 percent. The increase resulted from a rise in the average price per barrel to \$27.50 from \$16.46 and from an increase in the average number of barrels

imported daily to 11.96 million from 11.30 million (chart 7). In 2000, U.S. consumption fell slightly to 19.5 billion barrels per day. U.S. domestic production rebounded with a 2-percent increase. Inventories also rose.

**Balances by area.**—The U.S. deficit on goods increased to \$449.5 billion in 2000 from \$345.6 billion in 1999. A sizable pickup in exports was more than offset by a substantial strengthening in imports (table K).

**Table K.—U.S. Trade in Goods by Major End-Use Category for Selected Areas and Countries**

[Balance of payments basis, millions of dollars]

|   | Canada         |                |                   | Western Europe |                |                   | United Kingdom |               |                   | Germany        |                |                   | Japan          |                |                   |
|---|----------------|----------------|-------------------|----------------|----------------|-------------------|----------------|---------------|-------------------|----------------|----------------|-------------------|----------------|----------------|-------------------|
|   | 1998           | 1999           | 2000 <sup>P</sup> | 1998           | 1999           | 2000 <sup>P</sup> | 1998           | 1999          | 2000 <sup>P</sup> | 1998           | 1999           | 2000 <sup>P</sup> | 1998           | 1999           | 2000 <sup>P</sup> |
| <b>Exports</b> .....                              | <b>156,241</b> | <b>166,533</b> | <b>178,924</b>    | <b>159,296</b> | <b>162,518</b> | <b>178,352</b>    | <b>37,899</b>  | <b>37,321</b> | <b>40,918</b>     | <b>26,441</b>  | <b>26,565</b>  | <b>28,902</b>     | <b>56,633</b>  | <b>56,352</b>  | <b>64,010</b>     |
| Agricultural products .....                       | 7,657          | 7,996          | 8,770             | 9,139          | 7,741          | 7,443             | 1,252          | 1,093         | 1,051             | 1,272          | 977            | 915               | 9,236          | 9,019          | 9,573             |
| Nonagricultural products .....                    | 148,584        | 158,537        | 170,154           | 150,157        | 154,777        | 170,909           | 36,647         | 36,228        | 39,867            | 25,169         | 25,588         | 27,987            | 47,397         | 47,333         | 54,437            |
| Foods, feeds, and beverages .....                 | 7,408          | 7,958          | 8,692             | 7,049          | 6,101          | 5,732             | 1,082          | 1,029         | 941               | 964            | 744            | 653               | 9,372          | 9,642          | 10,027            |
| Industrial supplies and materials .....           | 34,922         | 35,965         | 39,963            | 35,452         | 32,975         | 37,833            | 7,864          | 6,318         | 7,123             | 4,638          | 4,384          | 4,750             | 11,071         | 10,847         | 12,572            |
| Capital goods, except automotive .....            | 51,473         | 53,721         | 59,677            | 81,233         | 87,092         | 95,842            | 21,629         | 21,490        | 23,281            | 14,912         | 15,593         | 17,432            | 24,156         | 23,983         | 28,288            |
| Automotive vehicles, parts, and engines .....     | 40,574         | 45,952         | 44,773            | 7,737          | 8,020          | 7,613             | 1,423          | 1,787         | 1,646             | 2,411          | 2,186          | 2,247             | 3,316          | 2,755          | 3,206             |
| Consumer goods (nonfood), except automotive ..... | 17,137         | 18,115         | 19,064            | 22,080         | 22,426         | 25,253            | 4,512          | 5,182         | 6,239             | 2,489          | 2,626          | 2,709             | 7,329          | 7,565          | 8,454             |
| Exports, n.e.c. ....                              | 4,727          | 4,822          | 6,755             | 5,745          | 5,904          | 6,079             | 1,389          | 1,515         | 1,688             | 1,027          | 1,032          | 1,111             | 1,389          | 1,560          | 1,463             |
| <b>Imports</b> .....                              | <b>175,806</b> | <b>201,268</b> | <b>232,039</b>    | <b>194,016</b> | <b>214,756</b> | <b>243,395</b>    | <b>34,416</b>  | <b>38,789</b> | <b>43,206</b>     | <b>49,727</b>  | <b>55,151</b>  | <b>58,558</b>     | <b>121,850</b> | <b>130,877</b> | <b>146,477</b>    |
| Petroleum and products .....                      | 8,530          | 9,958          | 18,575            | 4,542          | 6,607          | 12,649            | 1,557          | 2,436         | 4,122             | 219            | 286            | 510               | 96             | 180            | 250               |
| Nonpetroleum products .....                       | 167,276        | 191,310        | 213,464           | 189,474        | 208,149        | 230,746           | 32,859         | 36,353        | 39,084            | 49,508         | 54,865         | 58,048            | 121,754        | 130,697        | 146,227           |
| Foods, feeds, and beverages .....                 | 8,923          | 9,462          | 10,276            | 8,581          | 9,480          | 9,714             | 1,056          | 1,227         | 1,260             | 651            | 644            | 663               | 403            | 426            | 438               |
| Industrial supplies and materials .....           | 60,367         | 66,561         | 84,274            | 40,929         | 43,198         | 53,337            | 6,421          | 7,404         | 10,089            | 8,188          | 8,282          | 9,281             | 13,732         | 12,484         | 13,051            |
| Capital goods, except automotive .....            | 29,832         | 32,036         | 40,256            | 66,644         | 70,683         | 78,024            | 14,477         | 14,856        | 15,489            | 17,907         | 19,731         | 21,630            | 52,829         | 55,049         | 62,859            |
| Automotive vehicles, parts, and engines .....     | 51,373         | 63,871         | 63,992            | 24,304         | 28,840         | 30,766            | 3,143          | 3,851         | 4,404             | 14,295         | 17,110         | 18,501            | 37,395         | 43,063         | 47,550            |
| Consumer goods (nonfood), except automotive ..... | 12,387         | 13,979         | 16,011            | 43,534         | 50,440         | 58,766            | 6,985          | 8,355         | 8,669             | 6,476          | 6,758          | 5,808             | 14,546         | 16,514         | 18,610            |
| Imports, n.e.c., and U.S. goods returned .....    | 12,924         | 15,359         | 17,230            | 10,024         | 12,115         | 12,788            | 2,334          | 3,096         | 3,295             | 2,210          | 2,626          | 2,675             | 2,945          | 3,341          | 3,969             |
| <b>Balance</b> .....                              | <b>-19,565</b> | <b>-34,735</b> | <b>-53,115</b>    | <b>-34,720</b> | <b>-52,238</b> | <b>-65,043</b>    | <b>3,483</b>   | <b>-1,468</b> | <b>-2,288</b>     | <b>-23,286</b> | <b>-28,586</b> | <b>-29,656</b>    | <b>-65,217</b> | <b>-74,525</b> | <b>-82,467</b>    |

|   | Latin America  |                |                   | Mexico         |                |                   | Asia, excluding Japan |                 |                   | Hong Kong, Republic of Korea, Singapore, Taiwan |                |                   | China          |                |                   |
|---|----------------|----------------|-------------------|----------------|----------------|-------------------|-----------------------|-----------------|-------------------|---|----------------|-------------------|----------------|----------------|-------------------|
|   | 1998           | 1999           | 2000 <sup>P</sup> | 1998           | 1999           | 2000 <sup>P</sup> | 1998                  | 1999            | 2000 <sup>P</sup> | 1998  | 1999           | 2000 <sup>P</sup> | 1998           | 1999           | 2000 <sup>P</sup> |
| <b>Exports</b> .....                              | <b>131,106</b> | <b>131,054</b> | <b>159,128</b>    | <b>78,388</b>  | <b>86,621</b>  | <b>111,458</b>    | <b>126,174</b>        | <b>130,045</b>  | <b>152,653</b>    | <b>61,513</b>                                   | <b>68,686</b>  | <b>83,404</b>     | <b>14,022</b>  | <b>13,033</b>  | <b>16,152</b>     |
| Agricultural products .....                       | 10,175         | 8,649          | 9,552             | 6,202          | 5,671          | 6,727             | 11,470                | 10,876          | 12,606            | 5,829   | 5,845          | 6,210             | 1,389          | 867            | 1,735             |
| Nonagricultural products .....                    | 120,931        | 122,405        | 149,576           | 72,186         | 80,950         | 104,731           | 114,704               | 119,169         | 140,047           | 55,684  | 62,841         | 77,194            | 12,633         | 12,166         | 14,417            |
| Foods, feeds, and beverages .....                 | 8,100          | 7,409          | 8,006             | 4,951          | 4,903          | 5,730             | 9,393                 | 9,454           | 10,439            | 4,748   | 5,090          | 5,128             | 1,171          | 784            | 1,531             |
| Industrial supplies and materials .....           | 34,695         | 34,833         | 44,574            | 21,690         | 24,087         | 32,011            | 24,303                | 25,423          | 29,443            | 13,120  | 14,015         | 16,017            | 3,604          | 3,876          | 5,175             |
| Capital goods, except automotive .....            | 51,309         | 53,200         | 62,941            | 27,460         | 32,111         | 41,095            | 74,992                | 78,237          | 93,724            | 36,228  | 42,082         | 53,549            | 8,540          | 7,415          | 8,349             |
| Automotive vehicles, parts, and engines .....     | 15,159         | 13,717         | 18,862            | 11,778         | 11,765         | 16,657            | 3,956                 | 3,302           | 3,376             | 1,286   | 1,152          | 1,019             | 192            | 277            | 281               |
| Consumer goods (nonfood), except automotive ..... | 17,098         | 16,799         | 18,602            | 9,319          | 10,109         | 11,489            | 9,267                 | 9,824           | 11,446            | 3,888   | 4,351          | 5,397             | 576            | 561            | 664               |
| Exports, n.e.c. ....                              | 4,745          | 5,096          | 6,143             | 3,190          | 3,646          | 4,476             | 4,263                 | 3,805           | 4,225             | 2,243   | 1,996          | 2,294             | -61            | 120            | 152               |
| <b>Imports</b> .....                              | <b>138,192</b> | <b>161,008</b> | <b>199,735</b>    | <b>95,453</b>  | <b>110,590</b> | <b>136,772</b>    | <b>247,324</b>        | <b>279,537</b>  | <b>340,274</b>    | <b>85,918</b>                                   | <b>95,084</b>  | <b>111,450</b>    | <b>71,170</b>  | <b>81,789</b>  | <b>100,038</b>    |
| Petroleum and products .....                      | 16,497         | 22,327         | 36,999            | 5,295          | 7,280          | 12,744            | 9,705                 | 15,291          | 26,170            | 423   | 560            | 1,081             | 273            | 182            | 616               |
| Nonpetroleum products .....                       | 121,695        | 138,681        | 162,736           | 90,158         | 103,310        | 124,028           | 237,619               | 264,246         | 314,104           | 85,495  | 94,524         | 110,369           | 70,897         | 81,607         | 99,422            |
| Foods, feeds, and beverages .....                 | 13,003         | 13,380         | 13,658            | 5,192          | 5,475          | 5,855             | 7,281                 | 7,784           | 8,512             | 687   | 711            | 709               | 771            | 942            | 1,105             |
| Industrial supplies and materials .....           | 33,167         | 39,935         | 56,850            | 13,128         | 15,274         | 21,730            | 30,878                | 37,362          | 52,576            | 8,489   | 9,023          | 10,924            | 5,458          | 5,957          | 7,635             |
| Capital goods, except automotive .....            | 25,901         | 32,342         | 40,478            | 23,094         | 28,060         | 35,803            | 90,752                | 102,865         | 125,743           | 48,376  | 53,379         | 63,207            | 14,078         | 17,763         | 24,050            |
| Automotive vehicles, parts, and engines .....     | 29,537         | 34,872         | 42,230            | 27,978         | 33,074         | 40,251            | 5,846                 | 7,935           | 10,584            | 3,624   | 5,194          | 7,271             | 941            | 1,192          | 1,556             |
| Consumer goods (nonfood), except automotive ..... | 31,147         | 33,535         | 38,108            | 21,611         | 23,336         | 26,677            | 107,564               | 117,444         | 135,766           | 22,204  | 23,611         | 25,550            | 49,224         | 55,039         | 64,584            |
| Imports, n.e.c., and U.S. goods returned .....    | 5,437          | 6,944          | 8,411             | 4,450          | 5,371          | 6,456             | 5,003                 | 6,147           | 7,093             | 2,538   | 3,166          | 3,789             | 698            | 896            | 1,108             |
| <b>Balance</b> .....                              | <b>-7,086</b>  | <b>-29,954</b> | <b>-40,607</b>    | <b>-17,065</b> | <b>-23,969</b> | <b>-25,314</b>    | <b>-121,150</b>       | <b>-149,492</b> | <b>-187,621</b>   | <b>-24,405</b>                                  | <b>-26,398</b> | <b>-28,046</b>    | <b>-57,148</b> | <b>-68,756</b> | <b>-83,886</b>    |

<sup>P</sup> Preliminary.

n.e.c. Not elsewhere classified.

The deficit with Asia, excluding Japan, increased to \$187.6 billion from \$149.5 billion. The increase in exports was concentrated in capital goods, mainly to the newly industrialized countries. The increase in imports was mostly in capital goods, industrial supplies and materials, and consumer goods.

The deficit with Canada increased to \$53.1 billion from \$34.7 billion. Increases in exports of capital goods and of industrial supplies and materials were partly offset by a large shift to a decrease in autos. The increase in petroleum imports was higher, and the increase in nonpetroleum imports was lower, than in 1999. Auto imports, which increased strongly in 1999, were virtually unchanged in 2000.

The deficit with Western Europe increased to \$65.0 billion from \$52.2 billion. The increase in exports was concentrated in capital goods and in industrial supplies and materials. The increase in imports was spread across most major commodity categories.

The deficit with Latin America increased to \$40.6 billion from \$30.0 billion. Higher exports of

capital goods, industrial supplies and materials, and automotive products were largely to Mexico. Increases in imports were spread across most major categories, including petroleum.

The deficit with Japan increased to \$82.5 billion from \$74.5 billion. In exports, the increase was largely in capital goods. In imports, the increase was largely in autos and consumer goods.

**Services.**—The surplus on services increased slightly to \$81.0 billion in 2000 from \$80.6 billion in 1999. Services receipts increased \$24.3 billion, up from a \$9.2 billion increase. Services payments increased \$23.9 billion, up from an \$8.6 billion increase (table L).

Foreign visitors spent \$85.2 billion for travel in the United States in 2000, an increase of 14 percent, following an increase of 5 percent in 1999. Overseas receipts were \$73.1 billion, up 14 percent, following an increase of 5 percent. After a limited recovery in 1999 from the Asian crisis that began in 1997 and continued through 1998, travel increased much more strongly in 2000. World-wide, the number of visitors increased 6 percent,

Table L.—Services

[Millions of dollars, quarters seasonally adjusted]

|  | 1998           | 1999           | 2000 <sup>r</sup> | 2000           |                 |                  |                 |
|--|----------------|----------------|-------------------|----------------|-----------------|------------------|-----------------|
|  |                |                |                   | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>p</sup> |
| <b>Exports</b> .....                           | <b>262,653</b> | <b>271,884</b> | <b>296,227</b>    | <b>72,277</b>  | <b>74,212</b>   | <b>74,575</b>    | <b>75,160</b>   |
| Travel .....                                   | 71,286         | 74,881         | 85,153            | 20,466         | 21,398          | 21,445           | 21,844          |
| Passenger fares .....                          | 20,098         | 19,776         | 21,313            | 5,067          | 5,392           | 5,400            | 5,454           |
| Other transportation .....                     | 25,604         | 27,033         | 29,847            | 7,255          | 7,438           | 7,635            | 7,519           |
| Royalties and license fees .....               | 36,197         | 36,467         | 37,955            | 9,348          | 9,577           | 9,424            | 9,605           |
| Other private services .....                   | 90,914         | 96,508         | 106,493           | 26,363         | 26,495          | 26,741           | 26,892          |
| Affiliated services .....                      | 28,397         | 28,943         | 31,659            | 8,061          | 7,750           | 7,862            | 7,984           |
| Unaffiliated services .....                    | 62,517         | 67,565         | 74,834            | 18,302         | 18,745          | 18,879           | 18,908          |
| Education .....                                | 9,037          | 9,572          | 10,116            | 2,475          | 2,509           | 2,557            | 2,575           |
| Financial .....                                | 11,273         | 13,925         | 17,851            | 4,389          | 4,656           | 4,499            | 4,307           |
| Insurance .....                                | 2,189          | 2,295          | 2,660             | 625            | 651             | 678              | 705             |
| Telecommunications .....                       | 5,538          | 4,460          | 3,882             | 1,015          | 972             | 962              | 933             |
| Business, professional, and technical .....    | 22,175         | 24,368         | 26,354            | 6,378          | 6,507           | 6,674            | 6,795           |
| Other .....                                    | 12,305         | 12,946         | 13,972            | 3,420          | 3,449           | 3,509            | 3,594           |
| Military transactions <sup>1</sup> .....       | 17,628         | 16,334         | 14,604            | 3,574          | 3,699           | 3,710            | 3,621           |
| U.S. Government receipts .....                 | 926            | 885            | 862               | 204            | 213             | 220              | 225             |
| <b>Imports</b> .....                           | <b>182,697</b> | <b>191,296</b> | <b>215,239</b>    | <b>51,497</b>  | <b>52,523</b>   | <b>55,467</b>    | <b>55,757</b>   |
| Travel .....                                   | 56,509         | 59,351         | 65,044            | 15,815         | 16,022          | 16,338           | 16,869          |
| Passenger fares .....                          | 19,971         | 21,405         | 23,902            | 5,767          | 5,934           | 5,966            | 6,235           |
| Other transportation .....                     | 30,363         | 34,137         | 40,713            | 9,586          | 9,904           | 10,554           | 10,671          |
| Royalties and license fees .....               | 11,713         | 13,275         | 16,331            | 3,598          | 3,669           | 4,833            | 4,230           |
| Other private services .....                   | 49,051         | 46,657         | 52,486            | 12,695         | 12,849          | 13,521           | 13,425          |
| Affiliated services .....                      | 19,756         | 22,437         | 24,005            | 6,165          | 5,990           | 6,065            | 5,789           |
| Unaffiliated services .....                    | 29,295         | 24,220         | 28,481            | 6,530          | 6,859           | 7,456            | 7,636           |
| Education .....                                | 1,591          | 1,840          | 2,136             | 502            | 524             | 543              | 567             |
| Financial .....                                | 3,561          | 3,574          | 5,071             | 1,188          | 1,290           | 1,382            | 1,211           |
| Insurance .....                                | 9,080          | 4,078          | 6,609             | 1,182          | 1,408           | 1,851            | 2,168           |
| Telecommunications .....                       | 7,687          | 6,766          | 6,025             | 1,565          | 1,500           | 1,498            | 1,462           |
| Business, professional, and technical .....    | 6,869          | 7,430          | 8,067             | 1,949          | 1,993           | 2,040            | 2,085           |
| Other .....                                    | 507            | 532            | 575               | 145            | 145             | 142              | 143             |
| Direct defense expenditures <sup>2</sup> ..... | 12,241         | 13,650         | 13,884            | 3,322          | 3,431           | 3,531            | 3,600           |
| U.S. Government payments .....                 | 2,849          | 2,821          | 2,879             | 714            | 714             | 724              | 727             |

<sup>r</sup> Revised.<sup>p</sup> Preliminary.<sup>1</sup> Consists of goods and services transferred under U.S. military agency sales contracts, which cannot be separately identified.<sup>2</sup> Consists of imports of goods and services by U.S. defense agencies, which cannot be separately identified.

up from an increase of 3 percent in 1999. Visitors from Western Europe slowed to a 3-percent increase from a 6-percent increase, partly as a result of a large decrease in the value of the euro, but visitors from Japan increased 5 percent after a 1-percent decrease, and visitors from other Asian countries increased 18 percent after a 15-percent increase, as economic expansion resumed in Asia. Travel receipts from Canada were \$7.0 billion, up 5 percent. Travel receipts from Mexico were \$5.1 billion, up 24 percent, as travel to the border area increased strongly.

U.S. residents spent \$65.0 billion for travel abroad in 2000, an increase of 10 percent, following an increase of 5 percent in 1999. Overseas payments were \$52.0 billion, up 10 percent, following an increase of 6 percent. Worldwide, the number of overseas travelers increased 9 percent, up from a 7-percent increase. The increase in the number of travelers to Western Europe more than doubled to 14 percent, while the increase to Japan slowed sharply to 2 percent from 9 percent. The increase in travelers to Asian countries other than Japan was 9 percent, up from 4 percent. Payments to Canada were \$6.3 billion, up 3 percent. Payments to Mexico were \$6.7 billion, up 11 percent.

Passenger fare receipts were \$21.3 billion, up \$1.5 billion, or 8 percent, in 2000, following a decrease of 2 percent in 1999. Passenger fare payments were \$23.9 billion, up \$2.5 billion, or 12 percent, following an increase of 7 percent.

"Other" transportation receipts were \$29.8 billion, up \$2.8 billion, or 10 percent, in 2000, following an increase of \$1.4 billion, or 6 percent, in 1999.

Freight receipts increased \$1.6 billion, or 14 percent, up from a 6-percent increase. Goods exports to every geographic area were significantly higher. The sharp step-ups were the result of increases in ocean export volumes transported by U.S. carriers associated with the worldwide pickup in economic growth. The increases in volumes were accompanied by an increase in ocean freight rates that resulted from the strong demand for bulk items, such as coal, iron ore, and grain. An increase in air freight receipts was due mostly to the increase in revenues for transporting goods between foreign countries. These revenues were enhanced by a surcharge that was imposed by air carriers to help offset the higher cost of jet fuel.

Port services receipts increased \$1.2 billion, or 8 percent, up from a 6-percent increase, as a result of

an increase in export and import volumes transported by foreign-operated liner vessels and an increase in bunker fuel revenues. Air port service receipts also increased.

"Other" transportation payments were \$40.7 billion, up \$6.6 billion, or 19 percent, in 2000, following an increase of \$3.8 billion, or 12 percent, in 1999.

Freight payments increased \$4.7 billion, or 21 percent, following a 14-percent increase, partly reflecting the pickup in goods imports to a 19-percent increase in 2000 from a 12-percent increase in 1999. In addition, both liner freight rates on imports from Asia and tanker freight rates increased substantially, reflecting capacity shortages. Air freight rates also increased.

Port services payments increased \$1.9 billion, or 16 percent, following a 9-percent increase, mostly as a result of an increase in air port services. The increase in air port service payments was the result of higher jet fuel prices, which rose 70 percent, and the result of higher air import and export volumes transported on U.S. air carriers; imports increased 3 percent, and exports increased 2 percent.

"Other" private services receipts were \$106.5 billion in 2000, up from \$96.5 billion in 1999. Affiliated services (transactions between affiliated companies) accounted for a fourth of the increase. Among unaffiliated services, financial services accounted for more than half of the increase in 2000; receipts were strong in the first half of the year when U.S. financial markets reflected a strong economy, but receipts fell in the last half when U.S. financial markets turned down. Business, professional, and technical services also increased.

"Other" private services payments were \$52.5 billion in 2000, up from \$46.7 billion in 1999. Affiliated services accounted for a fourth of the increase. Among unaffiliated services, insurance services accounted for more than half of the increase, as companies recovered from sizable losses in 1999. Financial services were the other major contributor to the increase, though payments fell in the fourth quarter when uncertainties in the financial markets abroad increased. Business, professional, and technical services also increased.

Transfers under U.S. military agency sales contracts were \$14.6 billion in 2000, down from \$16.3 billion in 1999. During 2000, multiyear delivery programs of fighter aircraft were completed to Singapore, South Korea, and Finland.

Direct defense expenditures abroad were \$13.9 billion in 2000, up from \$13.7 billion in 1999. Personnel expenditures, payments for contractual services, and petroleum expenditures all changed little.

### Income

The deficit on income decreased to \$13.7 billion in 2000 from \$18.5 billion in 1999 (table D). Income receipts increased more than income payments.

**Investment income.**—Receipts of investment income on U.S.-owned assets abroad increased to \$343.1 billion in 2000 from \$274.0 billion in 1999. "Other" private receipts and direct investment receipts both increased strongly. Payments of investment income on foreign-owned assets in the United States increased to \$351.2 billion from \$287.1 billion. "Other" private payments accounted for two-thirds of the increase.

Receipts of income on U.S. direct investment abroad increased strongly to \$149.5 billion in 2000 from \$118.8 billion in 1999 (table M, chart 8). The acceleration coincided with a substantial pickup in economic growth abroad. Earnings in petroleum increased \$8.8 billion, reflecting both a 67-percent increase in petroleum prices and a rise in refiners' margins. Earnings in "other" industries increased \$15.0 billion, reflecting higher earnings of holding companies, the establishment of large new banking affiliates, and higher earnings of brokerage affiliates abroad as a result of high volumes of securities transactions. Earnings in manufactur-

ing increased \$5.8 billion; the largest increases were in industrial machinery and "other" manufacturing. Interest receipts changed little.

Payments of income on foreign direct investment in the United States increased to \$65.7 billion in 2000 from \$56.1 billion in 1999 (table M, chart 9). The increase was more than accounted for by a \$9.5 billion rise in petroleum earnings as a result of higher petroleum prices, which raised profit margins in exploration, production, and refining operations of oil companies. Earnings of manufacturing affiliates fell \$5.5 billion after increasing in 1999; most of the falloff was accounted for by automotive affiliates. The falloff in manufacturing earnings began in the third quarter, coincident with the beginning of the slowdown in the U.S. economy, and continued in the fourth. Earnings in "other" industries, which includes depository institutions and finance, increased \$0.4 billion. Interest payments increased \$4.4 billion.

Receipts of income on "other" private investment increased to \$189.8 billion in 2000 from \$152.0 billion in 1999 (table N, chart 10). After a decrease in 1999, both bank and nonbank receipts were up strongly in 2000; higher outstanding amounts and higher average interest rates both contributed to the increases. Bond receipts increased because of higher outstanding amounts and higher average interest rates. Dividend receipts increased because of higher outstanding amounts; dividend rates fell.

**Table M.—Direct Investment Income and Capital**

[Millions of dollars, quarters seasonally adjusted]

| (Credits +; debits -)  | 1998     | 1999     | 2000 <sup>P</sup> | 2000           |                 |                  |                 |
|--|----------|----------|-------------------|----------------|-----------------|------------------|-----------------|
|  |          |          |                   | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |
| <b>Income</b>  |          |          |                   |                |                 |                  |                 |
| Income receipts on U.S. direct investment abroad .....                               | 106,407  | 118,802  | 149,459           | 34,053         | 37,835          | 37,857           | 39,716          |
| Distributed earnings .....   | 55,545   | 45,492   | 45,495            | 10,295         | 12,412          | 11,534           | 11,261          |
| Reinvested earnings .....  | 47,622   | 69,640   | 100,277           | 22,922         | 24,475          | 25,361           | 27,516          |
| Interest, net .....  | 3,241    | 3,670    | 3,685             | 836            | 948             | 962              | 939             |
| Income payments on foreign direct investment in the United States .....              | -38,679  | -56,098  | -65,683           | -17,027        | -18,862         | -16,320          | -13,475         |
| Distributed earnings .....   | -24,456  | -17,390  | -22,752           | -5,514         | -6,629          | -5,786           | -4,830          |
| Reinvested earnings .....  | -3,835   | -23,155  | -22,981           | -7,150         | -7,478          | -5,276           | -3,072          |
| Interest, net .....  | -10,386  | -15,555  | -19,950           | -4,363         | -4,756          | -5,258           | -5,573          |
| <b>Capital</b>   |          |          |                   |                |                 |                  |                 |
| U.S. direct investment abroad (increase/financial outflow (-)) .....                 | -146,052 | -150,901 | -161,577          | -42,952        | -37,476         | -36,175          | -44,971         |
| Equity capital .....   | -73,332  | -52,093  | -56,333           | -9,403         | -13,812         | -12,309          | -20,809         |
| Reinvested earnings .....  | -47,622  | -69,640  | -100,277          | -22,922        | -24,475         | -25,361          | -27,516         |
| Intercompany debt .....  | -25,099  | -29,167  | -4,967            | -10,627        | 811             | 1,495            | 3,354           |
| Foreign direct investment in the United States (increase/financial inflow (+)) ..... | 186,316  | 275,533  | 316,527           | 49,065         | 100,426         | 72,681           | 94,351          |
| Equity capital .....   | 151,741  | 212,140  | 221,118           | 27,510         | 73,601          | 39,890           | 80,117          |
| Reinvested earnings .....  | 3,835    | 23,155   | 22,981            | 7,150          | 7,478           | 5,276            | 3,072           |
| Intercompany debt .....  | 30,739   | 40,239   | 72,429            | 14,405         | 19,347          | 27,515           | 11,162          |

<sup>r</sup> Revised.

<sup>P</sup> Preliminary.

Payments of income on “other” private investment increased to \$177.8 billion in 2000 from \$135.8 billion in 1999 (table N, chart 10). After a decrease in 1999, both bank and nonbank payments were sharply higher in 2000; higher outstanding amounts and higher average interest rates both contributed to the increases. Bond payments were sharply higher as a result of both higher outstanding amounts and higher average interest rates. Dividend payments increased a small amount.

Table N.—Other Private Income

[Billions of dollars]

|  | 1998         | 1999         | 2000 <sup>P</sup> |
|--|--------------|--------------|-------------------|
| <b>Receipts</b> .....                              | <b>146.5</b> | <b>152.0</b> | <b>189.8</b>      |
| Dividends .....                                    | 23.5         | 30.6         | 35.8              |
| Interest on bonds .....                            | 39.2         | 40.3         | 44.6              |
| Interest on bank claims .....                      | 41.0         | 38.9         | 51.5              |
| Interest on nonbank claims <sup>1</sup> .....      | 42.8         | 42.2         | 57.9              |
| <b>Payments</b> .....                              | <b>127.7</b> | <b>135.8</b> | <b>177.8</b>      |
| Dividends .....                                    | 15.7         | 17.1         | 19.1              |
| Interest on bonds .....                            | 33.4         | 43.8         | 57.7              |
| Interest on bank liabilities .....                 | 48.0         | 45.6         | 61.0              |
| Interest on nonbank liabilities <sup>1</sup> ..... | 30.6         | 29.3         | 40.0              |

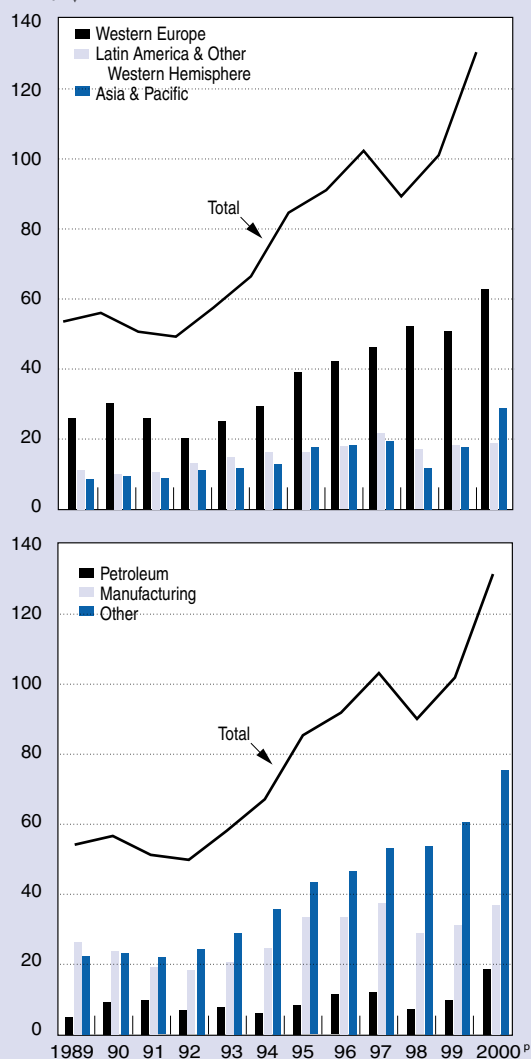
<sup>P</sup> Preliminary.<sup>1</sup> Primarily income of financial concerns other than banks.

NOTE.—Excludes direct investment income receipts and payments.

CHART 8

## Earnings on U.S. Direct Investment Abroad

Billion \$

<sup>p</sup> Preliminary

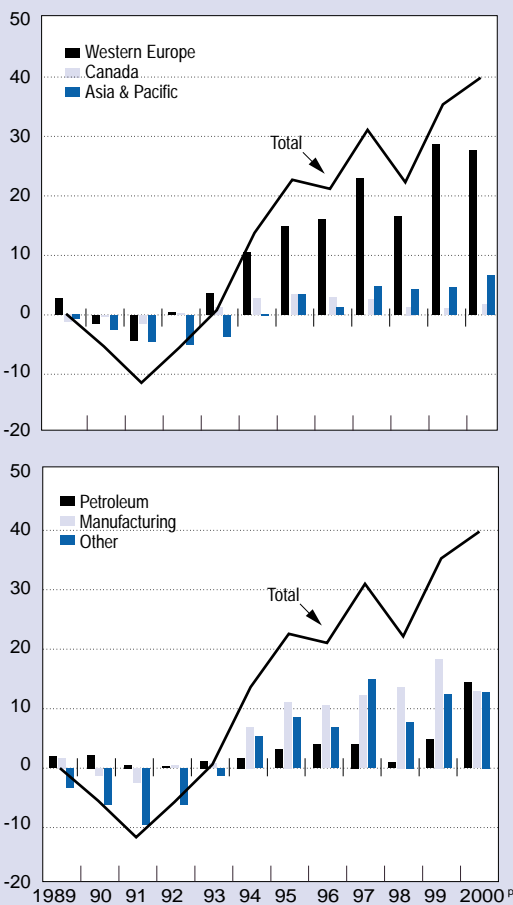
NOTE.—To be consistent with earnings by area and by industry, total earnings are shown in this chart without the current-cost adjustment and after deduction of withholding taxes, the only basis on which area and industry data are available.

U.S. Bureau of Economic Analysis

CHART 9

## Earnings on Foreign Direct Investment in the United States

Billion \$

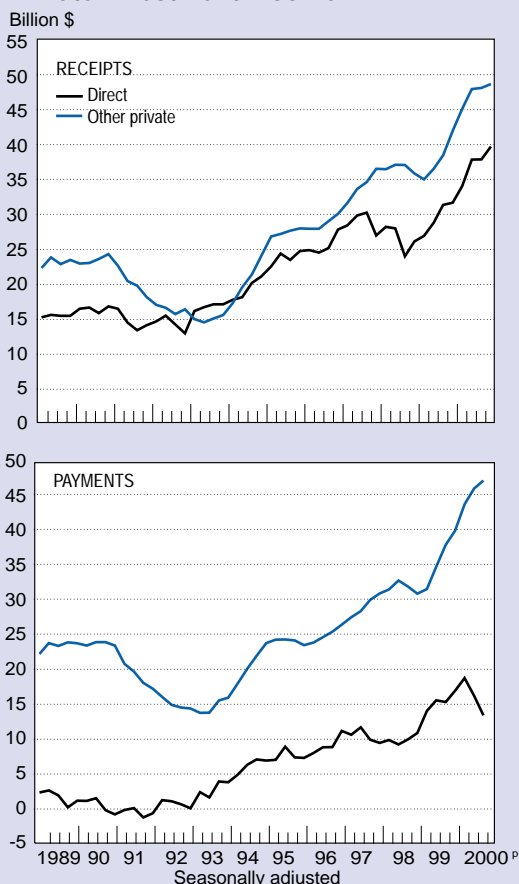
<sup>p</sup> Preliminary

NOTE.—To be consistent with earnings by area and by industry, total earnings are shown in this chart without the current-cost adjustment and after deduction of withholding taxes, the only basis on which area and industry data are available.

U.S. Bureau of Economic Analysis

CHART 10

## Private Investment Income



<sup>p</sup> Preliminary  
U.S. Bureau of Economic Analysis

Receipts of income on U.S. Government investment increased to \$3.8 billion in 2000 from \$3.2 billion in 1999.

Payments of income on U.S. Government liabilities increased to \$107.7 billion in 2000 from \$95.1 billion in 1999. Most of the increase came from increased foreign holdings of agency bonds; holdings of Treasury bonds changed little (table O).

**Compensation of employees.**—Receipts for compensation of U.S. workers abroad increased slightly to \$2.3 billion in 2000 from \$2.2 billion in 1999. Payments for compensation of foreign workers in the United States increased to \$7.9 billion from \$7.6 billion.

### Unilateral current transfers

Unilateral current transfers were net outflows of \$53.2 billion in 2000, up from \$48.0 billion in 1999. Half of the increase was attributable to an increase in U.S. Government grants to \$16.4 billion from \$13.8 billion, mostly the result of additional military and economic assistance to Israel and Egypt (table O). Funds allocated annually to Israel under the Sinai Peace Accords continued to be disbursed. The other half of the increase was attributable to an increase in private remittances and other transfers, mainly due to an increase in institutional remittances and net taxes paid to foreigners.

Table O.—Selected U.S. Government Transactions

[Millions of dollars]

| (Credits +; debits -)  | 1998    | 1999    | 2000 <sup>p</sup> | 2000    |         |                  |                 |
|--|---------|---------|-------------------|---------|---------|------------------|-----------------|
|  |         |         |                   | I       | II      | III <sup>r</sup> | IV <sup>p</sup> |
| U.S. Government grants .....   | -13,270 | -13,774 | -16,448           | -2,912  | -3,232  | -3,634           | -6,670          |
| U.S. Government forgiveness of foreign debt .....                          | -26     | -69     | -29               | -5      | -5      | -18              | -1              |
| U.S. Government credits and other long-term assets .....                   | -4,687  | -6,175  | -4,887            | -1,750  | -1,235  | -1,050           | -852            |
| For debt rescheduling .....  | -589    | -1,868  | -1,405            | -823    | -532    | -48              | -2              |
| Other disbursements .....  | -4,098  | -4,307  | -3,482            | -927    | -703    | -1,002           | -850            |
| Repayments of U.S. Government credits and other long-term assets .....     | 4,111   | 9,560   | 4,064             | 1,328   | 720     | 1,265            | 751             |
| From debt rescheduling .....   | 459     | 1,800   | 475               | 280     | 152     | 42               | 1               |
| From debt forgiveness .....  | 23      | 40      | 21                | 1       | 4       | 15               | 1               |
| Other repayments .....   | 3,628   | 7,720   | 3,569             | 1,048   | 563     | 1,208            | 750             |
| U.S. Government foreign currency holdings and short-term assets, net ..... | 145     | -634    | 108               | 291     | -59     | -101             | -23             |
| From debt rescheduling .....   | 75      | 49      | 295               | 264     | 31      | .....            | .....           |
| From debt forgiveness .....  | .....   | 11      | (*)               | .....   | .....   | .....            | (*)             |
| Other .....  | 70      | -693    | -188              | 28      | -91     | -101             | -24             |
| U.S. Government receipts of income .....                                   | 3,601   | 3,197   | 3,828             | 1,146   | 1,015   | 940              | 727             |
| From debt rescheduling .....   | 56      | 20      | 634               | 279     | 348     | 6                | 1               |
| From debt forgiveness .....  | 3       | 18      | 8                 | 4       | 1       | 3                | .....           |
| Other receipts .....   | 3,541   | 3,159   | 3,186             | 863     | 666     | 931              | 726             |
| U.S. Government payments of income .....                                   | -91,119 | -95,131 | -107,672          | -26,074 | -26,901 | -27,369          | -27,328         |

<sup>r</sup> Revised.<sup>p</sup> Preliminary.

\* Less than \$500,000 (±).

## Capital Account

Net capital account transactions were net inflows of \$0.7 billion in 2000, in contrast to net outflows of \$3.5 billion in 1999. Transactions in 1999 included the transfer of the U.S. Government's assets in the Panama Canal Commission to the Republic of Panama.

## Financial Account

Net recorded financial inflows—the result of combining financial flows for U.S.-owned assets abroad with financial flows for foreign-owned assets in the United States—were \$399.1 billion in 2000, compared with \$323.4 billion in 1999. Financial inflows for foreign-owned assets in the United States increased more than financial outflows for U.S.-owned assets abroad (chart 11).

### U.S.-owned assets abroad

Net U.S.-owned assets abroad increased \$553.3 billion in 2000, compared with an increase of \$430.2 billion in 1999. U.S. claims reported by U.S. banks and by U.S. nonbanks were sharply higher in 2000 than in 1999. Net outflows for U.S. direct investment abroad were moderately higher. Net U.S. purchases of foreign securities were down but remained strong.

**U.S. official reserve assets.**—U.S. official reserve assets increased \$0.3 billion in 2000, compared with an \$8.7 billion decrease in 1999 (table C). Transactions in 2000 included a \$2.3 billion decrease in the U.S. reserve position at the International Monetary Fund (IMF) as a result of repayments of dollars to the IMF by Brazil and Mexico in the second and third quarters that were partly offset by an increase in the reserve position as a result of credit extended by the IMF to Turkey and Argentina in the fourth quarter. Transactions in 2000 also included the acquisition of \$1.3 billion in euros in the third quarter, when the United States (along with the European Central Bank and monetary authorities in the United Kingdom, Canada, and Japan) purchased euros in exchange markets.

**Claims reported by banks and by nonbanks.**—U.S. claims on foreigners reported by U.S. banks increased \$110.2 billion in 2000, following an increase of \$69.9 billion in 1999 (tables P and Q).

Banks' own claims payable in dollars increased \$99.5 billion, following an increase of \$42.2 billion. Some of the strong increase in 2000 was

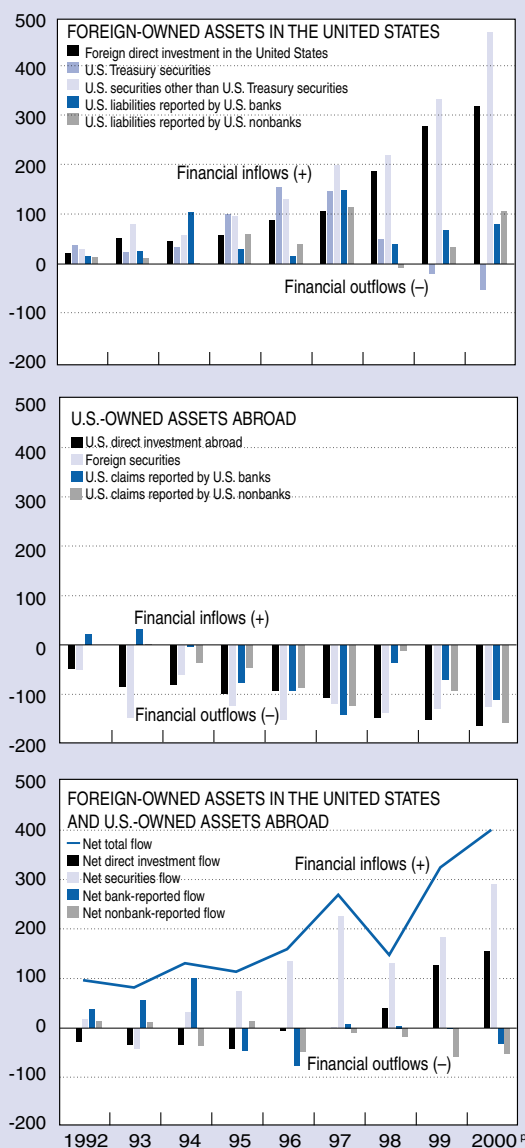
attributable to the step-up in economic activity and related credit needs that accompanied it, particularly in Europe.

Additional demand for U.S. credit arose from unusually large needs for capital to finance major acquisitions throughout the year and needs to supply funds when conditions in bond markets deteriorated in the fourth quarter. U.S. banks provided

CHART 11

## Financial Flows

Billion \$



p Preliminary  
U.S. Bureau of Economic Analysis

sizable amounts of funds that helped finance the wave of consolidations, acquisitions, and leveraged or managed buyouts that occurred throughout Europe. Although the number of acquisitions was down from 1999, financing needs remained large, particularly in the telecommunications industry. The funds were often provided through participation in syndicated loans, which provided temporary financing until more permanent financing could be arranged in the securities markets. U.S. banks also provided sizable amounts of funds to foreigners in the fourth quarter, when credit con-

ditions deteriorated in the bond markets. The substantial widening of yield spreads for lower rated borrowers forced many borrowers to shorter term borrowing, either from banks or from the commercial paper market.

Banks' domestic customers' claims payable in dollars increased \$22.9 billion, following an increase of \$29.7 billion. Foreign commercial paper issues in the United States increased \$39.9 billion, more than three times the increase of \$12.6 billion in 1999. Increases were particularly large in the third and fourth quarters, when borrowing

Table P.—Private Financial Flows, Net

[Billions of dollars]

| Claims (increase/financial outflow (-)); liabilities (increase/financial inflow (+)) | 1998         | 1999         | 2000 <sup>P</sup> | 2000        |              |                  |                 |
|--|--------------|--------------|-------------------|-------------|--------------|------------------|-----------------|
|  |              |              |                   | I           | II           | III <sup>r</sup> | IV <sup>P</sup> |
| <b>Private financial flows, net</b> .....  | <b>174.0</b> | <b>268.9</b> | <b>364.1</b>      | <b>33.7</b> | <b>143.1</b> | <b>89.6</b>      | <b>97.9</b>     |
| Bank-reported capital, net <sup>1</sup> .....  | 4.2          | -2.5         | -30.7             | -64.3       | 65.2         | -7.4             | -24.2           |
| U.S. claims .....  | -35.6        | -69.9        | -110.2            | -55.5       | 18.3         | -6.0             | -67.0           |
| U.S. liabilities <sup>1</sup> .....  | 39.8         | 67.4         | 79.5              | -8.8        | 46.9         | -1.4             | 42.8            |
| Securities, net .....  | 130.6        | 182.4        | 290.1             | 96.0        | 28.3         | 76.7             | 89.2            |
| Net U.S. purchases of foreign securities .....                                       | -136.0       | -128.6       | -123.6            | -27.2       | -38.2        | -33.2            | -24.9           |
| Stocks .....   | -101.2       | -114.4       | -98.8             | -15.8       | -45.0        | -15.3            | -22.6           |
| Bonds .....  | -34.8        | -14.2        | -24.8             | -11.4       | 6.8          | -17.9            | -2.3            |
| Net foreign purchases of U.S. securities .....                                       | 266.6        | 311.0        | 413.7             | 123.2       | 66.5         | 109.9            | 114.1           |
| U.S. Treasury securities .....   | 48.6         | -20.5        | -52.2             | -9.2        | -20.6        | -12.5            | -9.8            |
| Other than U.S. Treasury securities .....  | 218.0        | 331.5        | 465.9             | 132.4       | 87.1         | 122.4            | 123.9           |
| Stocks .....   | 45.6         | 98.7         | 171.8             | 61.2        | 26.3         | 47.8             | 36.5            |
| Bonds .....  | 172.4        | 232.8        | 294.1             | 71.2        | 60.8         | 74.6             | 87.4            |
| U.S. currency flows, net .....   | 16.6         | 22.4         | 1.1               | -6.8        | 1.0          | .8               | 6.2             |
| Direct investment, net .....   | 40.2         | 124.6        | 154.9             | 3.3         | 61.1         | 35.8             | 54.7            |
| U.S. direct investment abroad .....  | -146.1       | -150.9       | -161.6            | -45.8       | -40.0        | -37.7            | -38.1           |
| Foreign direct investment in the United States .....                                 | 186.3        | 275.5        | 316.5             | 49.1        | 101.1        | 73.5             | 92.8            |
| Nonbank-reported capital, net .....  | -17.6        | -58.0        | -51.3             | 5.5         | -12.5        | -16.3            | -28.0           |
| U.S. claims .....  | -10.6        | -92.3        | -157.0            | -52.6       | -36.5        | -17.8            | -50.1           |
| U.S. liabilities .....   | -7.0         | 34.3         | 105.7             | 58.1        | 24.0         | 1.5              | 22.1            |

<sup>r</sup> Revised.<sup>P</sup> Preliminary.

1. Liabilities exclude U.S. Treasury securities.

Table Q.—U.S. Bank-Reported Claims and Liabilities by Type

[Billions of dollars]

|   | 1998         | 1999         | 2000 <sup>P</sup> | 2000         |             |                  |                 |
|---|--------------|--------------|-------------------|--------------|-------------|------------------|-----------------|
|   |              |              |                   | I            | II          | III <sup>r</sup> | IV <sup>P</sup> |
| <b>Claims on foreigners reported by U.S. banks (increase/financial outflow (-))</b> .....   | <b>-35.6</b> | <b>-69.9</b> | <b>-110.2</b>     | <b>-55.5</b> | <b>18.3</b> | <b>-6.0</b>      | <b>-67.0</b>    |
| Banks' claims for own accounts, payable in dollars:   |              |              |                   |              |             |                  |                 |
| Own foreign offices .....   | -52.9        | -27.3        | -80.8             | -23.8        | -1.0        | -18.7            | -37.2           |
| Unaffiliated banks .....  | 3.0          | 5.0          | -2.7              | 5.2          | 3.1         | 1.7              | -12.7           |
| Public borrowers and other foreigners .....   | 23.1         | -19.9        | -15.9             | 0.1          | -14.1       | 3.7              | -5.8            |
| Banks' claims for domestic customers' accounts, payable in dollars .....  | -4.3         | -29.7        | -22.9             | -38.5        | 27.4        | 1.9              | -13.6           |
| Claims payable in foreign currencies .....  | -4.5         | 2.0          | 12.1              | 1.5          | 2.9         | 5.4              | 2.3             |
| <b>Liabilities to foreigners reported by U.S. banks (excluding U.S. Treasury securities)(increase/financial inflow (+))<sup>1</sup></b> ..... | <b>39.8</b>  | <b>67.4</b>  | <b>79.5</b>       | <b>-8.8</b>  | <b>46.9</b> | <b>-1.4</b>      | <b>42.8</b>     |
| Banks' liabilities for own accounts, payable in dollars:  |              |              |                   |              |             |                  |                 |
| Own foreign offices .....   | 77.8         | 40.3         | 49.6              | 5.3          | 24.6        | 5.1              | 14.6            |
| Unaffiliated banks .....  | -43.2        | 13.0         | 19.3              | -4.9         | 10.5        | 1.7              | 12.1            |
| Other private foreigners and international financial institutions .....   | -10.8        | 20.4         | 17.7              | 3.9          | 19.4        | 1.0              | -6.9            |
| Banks' custody liabilities, payable in dollars .....  | 37.8         | -3.5         | 6.9               | -11.8        | -1.9        | -4.3             | 25.1            |
| Liabilities payable in foreign currencies .....   | -21.8        | -2.8         | -14.0             | -1.3         | -5.7        | -4.9             | -2.1            |

<sup>r</sup> Revised.<sup>P</sup> Preliminary.

1. Excludes liabilities to foreign official agencies.



preferences shifted sharply to short-term financing as borrowing conditions deteriorated in bond markets in the United States and abroad. Deposits decreased by substantial amounts in the second and third quarters.

Claims on unaffiliated foreigners reported by U.S. nonbanks increased \$157.0 billion, following an increase of \$92.3 billion. U.S. nonbanks supplied large amounts of funds to foreigners in the first, second, and fourth quarters, when the needs for short-term funds were especially strong. Combined, U.S. nonbanks and U.S. banks supplied \$267.2 billion to financial markets abroad in 2000, the largest amount since 1997 (table P).

**Foreign securities.**—Net U.S. purchases of foreign securities slowed to \$123.6 billion in 2000, compared with \$128.6 billion in 1999 (table P).

Net U.S. purchases of foreign stocks slowed to \$98.8 billion from \$114.4 billion. Merger-related exchanges of stock fell to \$80.7 billion from \$117.2 billion but still remained strong. Many foreign takeovers were from Western Europe, particularly from the United Kingdom, which accounted for \$39.4 billion in stock exchanges in 2000 after accounting for \$77.3 billion in exchanges in 1999.

In other transactions in stocks, net U.S. purchases of outstanding foreign stocks were \$18.1

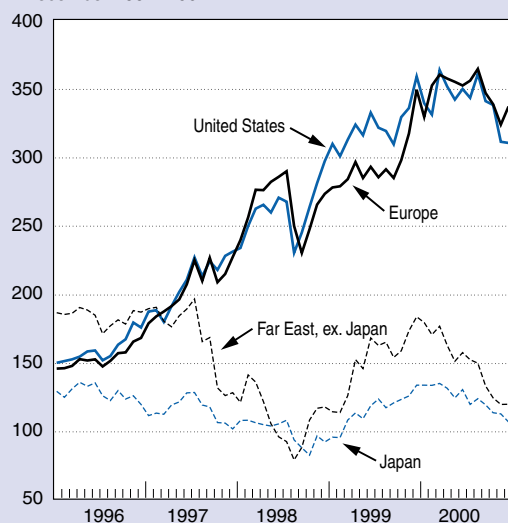
billion, in contrast to net sales of \$2.8 billion, despite continued weakness in foreign currencies and declining foreign stock prices. On average, world stock prices, stated in local currency terms, declined 11 percent in 2000: Prices declined 4 percent in Europe, 15 percent in Latin America, 20 percent in Japan, and 35 percent the Far East, excluding Japan (chart 12). In each area, declines in technology-related issues were considerably larger than declines in the broad market averages. Trading activity in foreign stocks—that is, gross purchases plus gross sales—increased 54 percent in 2000, following an increase of 26 percent in 1999. Activity peaked in the first quarter of 2000 and then fell, but it remained at high quarterly levels for the rest of the year.

Net U.S. purchases of foreign bonds were \$24.8 billion, up from \$14.2 billion. Foreign new bond issues in the United States increased to \$54.3 billion from \$34.8 billion as a result of increased activity of sovereign issuers from emerging market countries in the first three quarters and an increase in corporate activity brought on by mergers and acquisitions in the second half of the year. Sovereign borrowers from emerging market countries responded to a 200-basis-point drop in spreads over U.S. Treasury rates (chart 13). Corporate borrowers remained confident in the stability of the U.S. bond market relative to other world markets.

CHART 12

### Selected Stock Price Indexes in Local Currencies

December 1992=100



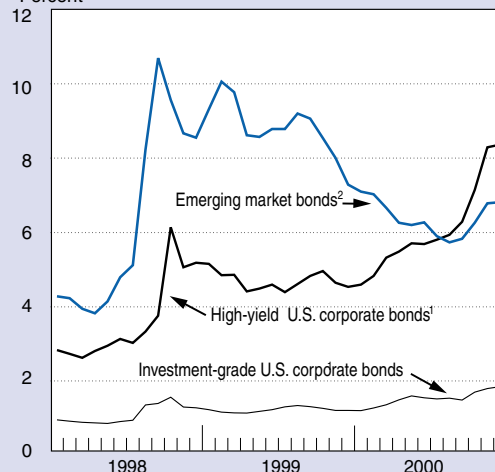
Source: Morgan Stanley Capital International.  
Indexes rebased by BEA.

U.S. Bureau of Economic Analysis

CHART 13

### Bond Spreads over U.S. Treasury Securities

Percent



1. Source: Merrill Lynch.

2. Source: J.P. Morgan. Emerging Market Bond Index Plus, EMBI+, represents external currency denominated debt in emerging markets. It is comprised mostly of U.S. dollar issues.

U.S. Bureau of Economic Analysis

A substantial share of corporate borrowing was to finance acquisitions, especially in Western Europe. For the year, central governments issued \$15.6 billion in new bonds. Private corporations issued \$36.9 billion in new bonds, of which \$23.5 billion was by telecommunications companies. Trading activity in foreign bonds increased 19 percent in 2000, up from very slow trading in 1999 but well below the strong trading in 1997 and 1998.

*Direct investment.*—Net financial outflows for U.S. direct investment abroad were \$161.6 billion in 2000, up from \$150.9 billion in 1999 (table M).

The increase was more than accounted for by a surge in reinvested earnings to \$100.3 billion from \$69.6 billion—a much larger step-up than in 1999 and a consequence of the strong pickup in economic activity abroad. In addition, a larger share of earnings was reinvested. Net equity capital outflows increased to \$56.3 billion from \$52.1 billion. Equity capital increases, though \$4.2 billion less than in 1999 and \$20.7 billion less than in 1998, remained high at \$76.5 billion in 2000. There were numerous large acquisitions in investment banking, financial services, optical equipment, communications networks, insurance, and automotive manufacturing. Equity capital decreases, though \$8.5 billion less than the record \$28.6 billion in 1999, also remained strong at \$20.1 billion and included large sales in telecommunications, utilities, and petroleum. Net intercompany debt outflows decreased to \$5.0 billion from \$29.2 billion, mostly as a result of large decrease in U.S. parents' receivables.

#### *Foreign-owned assets in the United States*

Net foreign-owned assets in the United States increased \$952.4 billion in 2000, following an increase of \$753.6 billion in 1999. For the second consecutive year, there was an exceptionally large step-up in net foreign purchases of U.S. securities other than U.S. Treasury securities. U.S. liabilities reported by U.S. banks and by U.S. nonbanks were sharply higher. Net inflows for foreign direct investment in the United States remained especially strong, though the year-to-year step-up was not as large as the exceptional increases of the 2 preceding years.

*Foreign official assets.*—Foreign official assets in the United States increased \$35.9 billion in 2000, following an increase of \$42.9 billion in 1999

(table C). In 2000, the increase by industrial countries was more than accounted for by a single country in Asia. Assets of OPEC members, who benefitted from higher revenues from petroleum sales, and of other developing countries also increased.

*Liabilities reported by banks and by nonbanks.*—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$79.5 billion in 2000, following an increase of \$67.4 billion in 1999 (table P and Q).

Banks' own liabilities payable in dollars increased \$86.5 billion in 2000, following an increase of \$73.7 billion. In the first half of the year, the increase in liabilities provided some funds for domestic lending when U.S. loan growth was especially strong and the U.S. economy was growing rapidly. Domestic commercial and industrial loan growth and real estate loan growth were unusually strong throughout the half. U.S. banks also borrowed heavily from branches in the Caribbean, probably for transfer to Western Europe to meet the surge in demand associated with acquisitions and consolidations. Additional funds were borrowed and likely transferred to Europe to accommodate a shift to short-term borrowing when conditions in bond markets deteriorated in the fourth quarter.

Banks' liabilities to other private foreigners increased \$20.4 billion, following an increase of \$17.3 billion. U.S. securities dealers' liabilities to international bond funds in the Caribbean increased strongly in the first half of the year.

Nonbank liabilities to unaffiliated foreigners increased \$105.7 billion, following an increase of \$34.3 billion. Along with banks, nonbanks were major borrowers of funds from foreigners in 2000. Combined, U.S. nonbanks and U.S. banks borrowed \$185.2 billion from financial markets abroad in 2000 (table P).

*U.S. Treasury securities.*—Net foreign sales of U.S. Treasury securities were \$52.2 billion in 2000, following \$20.5 billion in net sales in 1999. The back-to-back years of net sales reflected the decline in the supply of U.S. Treasury securities and the higher yields available on alternative U.S. financial instruments, including equities and corporate and agency bonds. The U.S. Government's buyback program of its debt supported the rise in U.S. Treasury bond prices.

**Other U.S. securities.**—Net foreign purchases of U.S. securities other than U.S. Treasury securities were a record \$465.9 billion, surpassing the previous record of \$331.5 billion in 1999 by 41 percent (table P).

Net foreign purchases of U.S. stocks were a record \$171.8 billion, up from \$98.7 billion, despite a U.S. stock market that was more volatile and performed more poorly in 2000 than in 1999. Continuing the upward momentum of several previous years, most “new” economy stocks, especially telecommunications and information technology stocks, hit new highs in the first several months of 2000. By late March, technology-related stocks began to fall, amid concerns about their high valuations and future profitability in an environment of tightening credit and rising inflation expectations. This decline continued throughout the year. “Old” economy stocks, which had already begun to decline in late 1999 amid concerns of slower sales and reduced profits, continued down throughout 2000, but by much smaller amounts than technology-related stocks. The Nasdaq index, which is heavily weighted with technology-related stocks, lost 39.3 percent in 2000 after gaining 85.6 percent in 1999. The S&P 500 index lost 10.1 percent after a rise of 19.5 percent, and the Dow Jones index lost 6.2 percent after a rise of 25.2 percent. In response to these substantial price declines, trad-

ing activity fell off sharply after the first quarter, though net inflows for each of the following quarters were well above net quarterly inflows in 1999. For the year, trading activity increased 54 percent in 2000, following an increase of 50 percent in 1999.

Net foreign purchases of U.S. bonds were a record \$294.1 billion, surpassing the record of \$232.8 billion in 1999.

New issues sold abroad by U.S. corporations were \$65.0 billion—the second highest on record—up from \$41.8 billion. New issues accelerated over the first three quarters but slowed abruptly in the fourth, when conditions in the financial markets deteriorated rapidly and corporate spreads rose sharply. Some borrowing was postponed into the first quarter of 2001, when interest rates were expected to be lower. Straight fixed-rate issues continued to dominate the market, but floating-rate issues rebounded strongly. Issues denominated in foreign currencies were sharply higher, particularly those denominated in euros (table R). Net foreign purchases of outstanding U.S. corporate bonds were \$116.7 billion, down slightly from \$117.2 billion.

Net foreign purchases of U.S. agency bonds, which includes new agency issues sold abroad, were a record \$112.4 billion, up the previous record of \$73.7 billion in 1999. As a result of con-

**Table R.—New International Bond Issues by U.S. Borrowers**

[Millions of dollars]

|   | 1998          | 1999          | 2000 <sup>P</sup> | 2000          |               |               |                 |
|---|---------------|---------------|-------------------|---------------|---------------|---------------|-----------------|
|   |               |               |                   | I             | II            | III           | IV <sup>P</sup> |
| <b>Total</b> .....                                | <b>87,098</b> | <b>65,847</b> | <b>109,201</b>    | <b>23,853</b> | <b>26,561</b> | <b>36,661</b> | <b>22,126</b>   |
| <b>By issuer:</b>                                 |               |               |                   |               |               |               |                 |
| Industrial corporations .....                     | 4,440         | 7,124         | 17,999            | 3,574         | 7,156         | 5,972         | 1,297           |
| Banking corporations <sup>1</sup> .....           | 7,203         | 5,338         | 6,153             | 1,151         | 1,944         | 1,622         | 1,436           |
| Nonbank financial corporations <sup>2</sup> ..... | 41,722        | 26,432        | 33,961            | 7,631         | 7,609         | 12,551        | 6,170           |
| U.S. federally sponsored agencies .....           | 33,121        | 24,004        | 44,236            | 10,293        | 8,802         | 12,873        | 12,268          |
| All other borrowers .....                         | 612           | 2,949         | 6,851             | 1,204         | 1,050         | 3,643         | 954             |
| <b>By instrument:</b>                             |               |               |                   |               |               |               |                 |
| Straight fixed-rate bonds .....                   | 67,204        | 57,620        | 92,866            | 20,403        | 22,014        | 31,442        | 19,007          |
| Floating-rate notes .....                         | 16,757        | 7,764         | 14,699            | 3,089         | 4,258         | 4,767         | 2,585           |
| Zero-coupon bonds .....                           | 490           | 128           | 49                | 49            |               |               |                 |
| Bonds convertible into stock .....                | 1,239         | 111           | 1,389             | 113           | 289           | 452           | 535             |
| Other debt instruments .....                      | 1,408         | 224           | 199               | 199           |               |               |                 |
| <b>By currency:</b>                               |               |               |                   |               |               |               |                 |
| U.S. dollars .....                                | 56,110        | 42,125        | 62,048            | 15,786        | 16,400        | 17,095        | 12,767          |
| Foreign currencies .....                          | 30,988        | 23,722        | 47,153            | 8,067         | 10,161        | 19,566        | 9,359           |
| Japanese yen .....                                | 1,645         | 3,200         | 11,130            | 1,616         | 3,758         | 4,644         | 1,112           |
| Swiss franc .....                                 | 3,265         | 2,082         | 2,099             | 166           | 435           | 722           | 776             |
| German mark .....                                 | 4,427         |               |                   |               |               |               |                 |
| British pound .....                               | 10,249        | 3,852         | 6,508             | 966           | 888           | 2,640         | 2,014           |
| Euro .....  | 3,965         | 13,658        | 26,422            | 5,155         | 4,921         | 11,425        | 4,921           |
| Canadian dollar .....                             | 253           | 28            | 148               |               |               |               | 148             |
| Other currencies .....                            | 7,184         | 902           | 846               | 164           | 159           | 135           | 388             |

<sup>P</sup> Preliminary.

1. Includes banks and bank holding companies.

2. Principally credit, securities, brokerage, and insurance companies.

cerns over credit quality that developed during the year, agency bonds were increasingly viewed as alternatives to U.S. Treasury issues. U.S. agencies stepped up their new issues by a substantial amount in the last half of the year.

Trading activity in U.S. bonds increased 42 percent in 2000, following a 13-percent decrease in 1999.

*U.S. currency flows.*—Net U.S. currency shipments were \$1.1 billion in 2000, down from \$22.4 billion in 1999. Supplies of U.S. currency shipped at yearend 1999 in anticipation of Y2K problems were sufficient to meet demands for much of 2000. No major political upheavals significantly increased the demand for currency.

Table S.—Selected U.S. Transactions With OPEC Members

[Millions of dollars]

| (Credits +; debits -)  | 1986                        | 1987           | 1988    | 1989    | 1990           | 1991    | 1992    | 1993    | 1994    | 1995    | 1996 <sup>r</sup> | 1997 <sup>r</sup> | 1998 <sup>r</sup> | 1999 <sup>r</sup> | 2000 <sup>p</sup> |
|--|-----------------------------|----------------|---------|---------|----------------|---------|---------|---------|---------|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Exports of goods and services and income receipts:                                       |                             |                |         |         |                |         |         |         |         |         |                   |                   |                   |                   |                   |
| Goods, balance of payments basis .....   | 10,386                      | 10,714         | 13,777  | 12,669  | 12,712         | 18,446  | 19,726  | 18,692  | 17,113  | 18,326  | 20,225            | 24,210            | 23,387            | 18,566            | 17,958            |
| Transfers under U.S. military agency sales contracts .....                               | 2,992                       | 2,781          | 1,430   | 1,309   | 2,687          | 3,809   | 4,454   | 3,675   | 2,936   | 4,471   | 5,638             | 4,077             | 5,308             | 4,003             | 3,009             |
| Royalties and license fees <sup>1</sup> .....  | 48                          | 103            | 77      | 71      | 94             | 149     | 161     | 220     | 357     | 394     | 253               | 312               | 249               | 283               | 298               |
| Other private services <sup>1</sup> .....  | <sup>2</sup> 2,270          | 1,939          | 1,516   | 1,541   | 1,423          | 1,898   | 2,546   | 2,210   | 2,080   | 2,187   | 3,018             | 3,117             | 3,291             | 3,372             | 3,462             |
| U.S. Government miscellaneous services .....   | 15                          | 25             | 18      | 16      | 20             | 16      | 22      | 13      | 14      | 17      | 11                | 10                | 10                | 11                | 10                |
| Income receipts on U.S.-owned assets abroad:   |                             |                |         |         |                |         |         |         |         |         |                   |                   |                   |                   |                   |
| Direct investment receipts .....   | 1,858                       | 1,965          | 1,875   | 1,835   | 2,854          | 3,293   | 3,224   | 2,745   | 2,701   | 3,966   | 4,220             | 4,073             | 2,669             | 3,086             | 4,685             |
| Other private receipts .....   | 1,535                       | 1,680          | 1,941   | 2,435   | 2,326          | 1,441   | 1,202   | 1,045   | 1,470   | 1,456   | 1,371             | 1,697             | 1,846             | 1,788             | 1,966             |
| U.S. Government receipts .....   | 196                         | 167            | 215     | 154     | 261            | 217     | 187     | 141     | 122     | 192     | 268               | 263               | 238               | 266               | 404               |
| Imports of goods and services and income payments:                                       |                             |                |         |         |                |         |         |         |         |         |                   |                   |                   |                   |                   |
| Goods, balance of payments basis .....   | -18,893                     | -24,416        | -23,016 | -29,243 | -37,024        | -33,431 | -32,377 | -32,644 | -31,674 | -34,257 | -42,665           | -44,017           | -33,919           | -41,976           | -67,186           |
| Direct defense expenditures .....  | -494                        | -370           | -377    | -614    | -1,419         | -784    | -883    | -455    | -360    | -335    | -545              | -944              | -1,754            | -1,815            | -1,630            |
| Royalties and license fees <sup>1</sup> .....  | <sup>(D)</sup>              | <sup>(*)</sup> | -6      | -1      | <sup>(*)</sup> | -1      | -1      | -37     | -7      | -2      | -38               | -5                | -8                | -9                | -8                |
| Other private services <sup>1</sup> .....  | <sup>2</sup> <sup>(D)</sup> | -253           | -259    | -245    | -306           | -461    | -388    | -340    | -405    | -456    | -628              | -588              | -605              | -570              | -527              |
| U.S. Government miscellaneous services .....   | -102                        | -118           | -96     | -104    | -96            | -87     | -47     | -26     | -39     | -34     | -31               | -31               | -30               | -31               | -30               |
| Income payments on foreign-owned assets in the United States:                            |                             |                |         |         |                |         |         |         |         |         |                   |                   |                   |                   |                   |
| Direct investment payments .....   | 114                         | -78            | 164     | -50     | -98            | -93     | 182     | -82     | -49     | -34     | -136              | -422              | -173              | -4                | -2,436            |
| Other private payments .....   | -1,916                      | -1,837         | -2,175  | -2,798  | -2,892         | -2,669  | -2,302  | -2,176  | -1,964  | -2,955  | -2,799            | -3,105            | -3,173            | -2,925            | -4,333            |
| U.S. Government payments .....   | -3,141                      | -2,586         | -2,141  | -2,758  | -3,241         | -2,764  | -2,524  | -2,160  | -1,747  | -2,179  | -2,430            | -3,751            | -3,804            | -3,784            | -4,272            |
| U.S. Government grants .....   | -74                         | -84            | -97     | -94     | 3,368          | 27,453  | 1,018   | -197    | -204    | -195    | -152              | -55               | -54               | -108              | -144              |
| U.S. Government pensions and other current transfers .....                               | -21                         | -25            | -20     | 5       | -25            | -305    | -32     | -27     | -28     | -25     | -93               | -57               | -40               | -26               | -22               |
| U.S.-owned assets abroad, net (increase/capital outflow (-)) .....                       | -945                        | -571           | -782    | -1,875  | 1,847          | -577    | -12,162 | -513    | -3,107  | 143     | -7,078            | -8,974            | -12,076           | 1,713             | 3,160             |
| U.S. Government assets, other than official reserve assets, net .....                    | 158                         | 141            | -59     | 135     | -253           | -788    | -529    | 19      | -422    | -901    | -458              | 12                | -10               | -320              | -87               |
| U.S. credits and other long-term assets .....  | -195                        | -165           | -396    | -212    | -647           | -246    | -277    | -85     | -234    | -925    | -912              | -412              | -166              | -504              | -433              |
| Repayments on U.S. credits and other long-term assets .....                              | 349                         | 308            | 344     | 343     | 481            | 397     | 279     | 224     | 177     | 215     | 290               | 420               | 154               | 207               | 359               |
| U.S. foreign currency holdings and U.S. short-term assets, net .....                     | 4                           | -2             | -7      | 4       | -87            | -939    | -531    | -120    | -365    | -191    | 164               | 4                 | 2                 | -23               | -13               |
| U.S. private assets, net .....   | -1,103                      | -712           | -723    | -2,010  | 2,100          | 211     | -11,633 | -532    | -2,685  | 1,044   | -6,620            | -8,986            | -12,066           | 2,033             | 3,247             |
| Direct investment .....  | -1,357                      | -64            | 1,133   | 535     | -1,277         | -2,706  | -1,465  | -1,597  | -3,575  | -2,379  | -2,884            | -2,411            | -3,841            | -3,075            | -2,570            |
| Foreign securities .....   | 33                          | 58             | -365    | 96      | -2,815         | -17     | 337     | -679    | -2,077  | -675    | -2,882            | -3,997            | -677              | 55                | 1,844             |
| U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....        | 43                          | 81             | 41      | 100     | 13             | -224    | -44     | -306    | -146    | -25     | -478              | -336              | 369               | -534              | 199               |
| U.S. claims reported by U.S. banks, not included elsewhere .....                         | 178                         | -787           | -1,532  | -2,741  | 6,179          | 3,158   | -10,461 | 2,050   | 3,113   | 4,123   | -376              | -2,242            | -7,917            | 5,587             | 3,774             |
| Foreign-owned assets in the United States, net (increase/capital inflow(+)) .....        | -9,380                      | -5,371         | -728    | 15,282  | 3,320          | -4,416  | 14,529  | -8,904  | 1,400   | 5,396   | 18,381            | 17,957            | -10,152           | 9,510             | 32,924            |
| Of which: foreign official .....   | -9,308                      | -9,939         | -2,885  | 10,724  | 1,555          | -5,235  | 5,626   | -3,850  | -1,464  | 4,061   | 14,105            | 12,663            | -11,532           | 1,331             | 11,989            |
| U.S. Treasury securities .....   | -4,938                      | -5,398         | 1,688   | 7,815   | -244           | -5,902  | 4,323   | -6,302  | -1,668  | 1,829   | 16,159            | 9,004             | -13,863           | 3,255             | 10,013            |
| Other U.S. securities .....  | -1,746                      | -1,808         | -2,591  | 3,170   | -2,676         | 1,989   | 4,186   | 3,322   | -820    | 1,592   | 217               | 4,054             | 4,284             | 2,577             | 13,933            |
| Other U.S. Government liabilities .....  | -427                        | -957           | 177     | 437     | 505            | 151     | 569     | 730     | 1,797   | 617     | -982              | -385              | -2,372            | -1,186            | -659              |
| U.S. liabilities reported by U.S. banks, not included elsewhere .....                    | -1,459                      | 2,405          | -1,146  | 1,836   | 5,686          | -164    | 4,793   | -5,665  | 1,677   | 1,059   | 1,813             | 4,094             | 2,296             | 4,634             | 5,013             |
| Direct investment in the United States .....   | 510                         | 296            | 1,629   | 1,503   | -662           | 81      | 167     | -812    | 251     | -140    | 623               | 382               | -67               | 403               | 3,391             |
| U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....   | -1,320                      | 91             | -485    | 521     | 711            | -571    | 491     | -177    | 163     | 439     | 551               | 808               | -430              | -173              | 1,233             |
| All other transactions with OPEC and transfers of funds between foreign areas, net ..... | 15,834                      | 16,335         | 8,684   | 2,465   | 14,189         | -11,134 | 3,465   | 18,820  | 11,391  | 3,924   | 3,210             | 6,233             | 28,790            | 8,650             | 12,712            |
| Memorandum:  |                             |                |         |         |                |         |         |         |         |         |                   |                   |                   |                   |                   |
| Balance on goods .....   | -8,507                      | -13,702        | -9,239  | -16,574 | -24,312        | -14,985 | -12,651 | -13,952 | -14,561 | -15,931 | -22,440           | -19,807           | -10,532           | -23,410           | -49,228           |

<sup>D</sup> Suppressed to avoid disclosure of data of individual companies.<sup>r</sup> Revised.<sup>p</sup> Preliminary.<sup>\*</sup> Less than \$500,000 (±).

1. Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.

2. Break in series. See Technical Notes in June 1989 and June 1990 SURVEY.

NOTE:—OPEC members are Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela. Excludes Ecuador beginning January 1993 and Gabon beginning January 1995. Individual country information is not available for all accounts; therefore, some accounts are estimated from regional data.

*Direct investment.*—Net financial inflows for foreign direct investment in the United States were \$316.5 billion in 2000, up from \$275.5 billion in 1999 (table M).

Net equity capital inflows increased to a record \$221.1 billion from the previous record of \$212.1 billion in 1999. Although there was no single exceptionally large acquisition, as there was in 1999, large acquisitions in many industries continued the especially rapid pace of recent years. These acquisitions allowed companies, mostly from

Europe, to increase their global presence by gaining a share of the U.S. market. The largest acquisitions were in petroleum, investment banking, management consulting, optical equipment, advertising, networking equipment, foods, communications, insurance, and electronics manufacturing. Net intercompany debt inflows increased to \$72.4 billion from \$40.2 billion, as a result of an increase in U.S. affiliates' payables. Reinvested earnings decreased slightly to \$23.0 billion.


*Tables 1 through 10 follow.* 

Table 1.—U.S. International Transactions

[Millions of dollars]

| Line                          | (Credits +; debits -) <sup>1</sup>   | 1999       | 2000 <sup>P</sup> | Not seasonally adjusted |          |                  |                 | Seasonally adjusted |                 |                  |                 |
|-------------------------------|--|------------|-------------------|-------------------------|----------|------------------|-----------------|---------------------|-----------------|------------------|-----------------|
|                               |  |            |                   | 2000                    |          |                  |                 | 2000                |                 |                  |                 |
|                               |  |            |                   | I                       | II       | III <sup>r</sup> | IV <sup>P</sup> | I <sup>r</sup>      | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |
| Current account               |  |            |                   |                         |          |                  |                 |                     |                 |                  |                 |
| 1                             | Exports of goods and services and income receipts .....                                      | 1,232,407  | 1,414,925         | 335,995                 | 353,294  | 360,009          | 365,627         | 336,729             | 353,494         | 362,765          | 361,938         |
| 2                             | Exports of goods and services .....  | 956,242    | 1,069,531         | 254,449                 | 265,506  | 272,745          | 276,831         | 255,936             | 265,925         | 275,411          | 272,256         |
| 3                             | Goods, balance of payments basis <sup>2</sup> .....  | 684,358    | 773,304           | 184,593                 | 193,191  | 193,428          | 202,092         | 183,659             | 191,713         | 200,836          | 197,096         |
| 4                             | Services <sup>3</sup> .....  | 271,884    | 296,227           | 69,856                  | 72,315   | 79,317           | 74,739          | 72,277              | 74,212          | 74,575           | 75,160          |
| 5                             | Transfers under U.S. military agency sales contracts <sup>4</sup> .....                      | 16,334     | 14,604            | 3,574                   | 3,699    | 3,710            | 3,621           | 3,574               | 3,699           | 3,710            | 3,621           |
| 6                             | Travel .....   | 74,881     | 85,153            | 17,783                  | 21,365   | 25,112           | 20,893          | 20,466              | 21,398          | 21,445           | 21,844          |
| 7                             | Passenger fares .....  | 19,776     | 21,313            | 4,697                   | 5,231    | 6,099            | 5,286           | 5,067               | 5,392           | 5,400            | 5,454           |
| 8                             | Other transportation .....   | 27,033     | 29,847            | 6,920                   | 7,440    | 8,011            | 7,476           | 7,255               | 7,438           | 7,635            | 7,519           |
| 9                             | Royalties and license fees <sup>5</sup> .....  | 36,467     | 37,955            | 9,088                   | 9,278    | 9,318            | 10,271          | 9,348               | 9,577           | 9,424            | 9,605           |
| 10                            | Other private services <sup>5</sup> .....  | 96,508     | 106,493           | 27,590                  | 25,089   | 26,847           | 26,967          | 26,363              | 26,495          | 26,741           | 26,892          |
| 11                            | U.S. Government miscellaneous services .....   | 885        | 862               | 204                     | 213      | 220              | 225             | 204                 | 213             | 220              | 225             |
| 12                            | Income receipts .....  | 276,165    | 345,394           | 81,546                  | 87,788   | 87,264           | 88,796          | 80,793              | 87,569          | 87,354           | 89,682          |
| 13                            | Income receipts on U.S.-owned assets abroad .....  | 273,957    | 343,052           | 80,971                  | 87,205   | 86,675           | 88,201          | 80,218              | 86,986          | 86,765           | 89,087          |
| 14                            | Direct investment receipts .....   | 118,802    | 149,459           | 34,734                  | 38,252   | 37,639           | 38,834          | 34,053              | 37,835          | 37,857           | 39,716          |
| 15                            | Other private receipts .....   | 151,958    | 189,765           | 45,091                  | 47,938   | 48,096           | 48,640          | 45,091              | 47,938          | 48,096           | 48,640          |
| 16                            | U.S. Government receipts .....   | 3,197      | 3,828             | 1,146                   | 1,015    | 940              | 727             | 1,074               | 1,213           | 812              | 731             |
| 17                            | Compensation of employees .....  | 2,208      | 2,342             | 575                     | 583      | 589              | 595             | 575                 | 583             | 589              | 595             |
| 18                            | Imports of goods and services and income payments .....                                      | -1,515,861 | -1,797,061        | -416,801                | -447,191 | -468,849         | -464,220        | -426,410            | -446,399        | -462,926         | -461,332        |
| 19                            | Imports of goods and services .....  | -1,221,213 | -1,438,011        | -332,009                | -354,899 | -376,969         | -374,134        | -341,196            | -354,670        | -371,041         | -371,109        |
| 20                            | Goods, balance of payments basis <sup>2</sup> .....  | -1,029,917 | -1,222,772        | -284,485                | -300,624 | -317,190         | -320,473        | -289,699            | -302,147        | -315,574         | -315,352        |
| 21                            | Services <sup>3</sup> .....  | -191,296   | -215,239          | -47,524                 | -54,275  | -59,779          | -53,661         | -51,497             | -52,523         | -55,467          | -55,757         |
| 22                            | Direct defense expenditures .....  | -13,650    | -13,884           | -3,322                  | -3,431   | -3,531           | -3,600          | -3,322              | -3,431          | -3,531           | -3,600          |
| 23                            | Travel .....   | -59,351    | -65,044           | -13,313                 | -17,404  | -19,791          | -14,536         | -15,815             | -16,022         | -16,338          | -16,869         |
| 24                            | Passenger fares .....  | -21,405    | -23,902           | -5,258                  | -6,381   | -6,647           | -5,616          | -5,767              | -5,934          | -5,966           | -6,235          |
| 25                            | Other transportation .....   | -34,137    | -40,713           | -9,227                  | -9,957   | -10,835          | -10,694         | -9,586              | -9,904          | -10,554          | -10,671         |
| 26                            | Royalties and license fees <sup>5</sup> .....  | -13,275    | -16,331           | -3,528                  | -3,591   | -4,712           | -4,500          | -3,598              | -3,669          | -4,833           | -4,230          |
| 27                            | Other private services <sup>5</sup> .....  | -46,657    | -52,486           | -12,162                 | -12,797  | -13,539          | -13,988         | -12,695             | -12,849         | -13,521          | -13,425         |
| 28                            | U.S. Government miscellaneous services .....   | -2,821     | -2,879            | -714                    | -714     | -724             | -727            | -714                | -714            | -724             | -727            |
| 29                            | Income payments .....  | -294,648   | -359,050          | -84,792                 | -92,292  | -91,880          | -90,086         | -85,214             | -91,729         | -91,885          | -90,223         |
| 30                            | Income payments on foreign-owned assets in the United States .....                           | -287,059   | -351,194          | -82,964                 | -90,412  | -89,865          | -87,953         | -83,268             | -89,755         | -89,949          | -88,223         |
| 31                            | Direct investment payments .....   | -56,098    | -65,683           | -16,723                 | -19,519  | -16,236          | -13,205         | -17,027             | -18,862         | -16,320          | -13,475         |
| 32                            | Other private payments .....   | -135,830   | -177,839          | -40,167                 | -43,992  | -46,260          | -47,420         | -40,167             | -43,992         | -46,260          | -47,420         |
| 33                            | U.S. Government payments .....   | -95,131    | -107,672          | -26,074                 | -26,901  | -27,369          | -27,328         | -26,074             | -26,901         | -27,369          | -27,328         |
| 34                            | Compensation of employees .....  | -7,589     | -7,856            | -1,828                  | -1,880   | -2,015           | -2,133          | -1,946              | -1,974          | -1,936           | -2,000          |
| 35                            | Unilateral current transfers, net .....  | -48,025    | -53,241           | -12,249                 | -11,874  | -12,829          | -16,289         | -12,087             | -12,334         | -12,949          | -15,872         |
| 36                            | U.S. Government grants <sup>4</sup> .....  | -13,774    | -16,448           | -2,912                  | -3,232   | -3,634           | -6,670          | -2,912              | -3,232          | -3,634           | -6,670          |
| 37                            | U.S. Government pensions and other transfers .....   | -4,401     | -4,711            | -1,087                  | -912     | -1,024           | -1,688          | -1,168              | -1,179          | -1,183           | -1,183          |
| 38                            | Private remittances and other transfers <sup>6</sup> .....                                   | -29,850    | -32,082           | -8,250                  | -7,730   | -8,171           | -7,931          | -8,007              | -7,923          | -8,132           | -8,019          |
| Capital and financial account |  |            |                   |                         |          |                  |                 |                     |                 |                  |                 |
| Capital account               |  |            |                   |                         |          |                  |                 |                     |                 |                  |                 |
| 39                            | Capital account transactions, net .....  | -3,500     | 680               | 166                     | 170      | 167              | 177             | 166                 | 170             | 167              | 177             |
| Financial account             |  |            |                   |                         |          |                  |                 |                     |                 |                  |                 |
| 40                            | U.S.-owned assets abroad, net (increase/financial outflow (-)) .....                         | -430,187   | -553,349          | -181,783                | -94,922  | -94,921          | -181,723        | -178,947            | -92,413         | -93,420          | -188,566        |
| 41                            | U.S. official reserve assets, net .....  | 8,747      | -290              | -554                    | 2,020    | -346             | -1,410          | -554                | 2,020           | -346             | -1,410          |
| 42                            | Gold <sup>7</sup> .....  | 10         | -722              | -180                    | -180     | -182             | -180            | -180                | -180            | -182             | -180            |
| 43                            | Special drawing rights .....   | 5,484      | 2,308             | -237                    | 2,328    | 1,300            | -1,083          | -237                | 2,328           | 1,300            | -1,083          |
| 44                            | Reserve position in the International Monetary Fund .....                                    | 3,253      | -1,876            | -137                    | -128     | -1,464           | -147            | -137                | -128            | -1,464           | -147            |
| 45                            | Foreign currencies .....   | 2,751      | -715              | -131                    | -574     | 114              | -124            | -131                | -574            | 114              | -124            |
| 46                            | U.S. Government assets, other than official reserve assets, net .....                        | -6,175     | -4,887            | -1,750                  | -1,235   | -1,050           | -852            | -1,235              | -1,050          | -852             | -852            |
| 47                            | U.S. credits and other long-term assets .....  | 9,560      | 4,064             | 1,328                   | 720      | 1,265            | 751             | 1,328               | 720             | 1,265            | 751             |
| 48                            | Repayments on U.S. credits and other long-term assets <sup>8</sup> .....                     | -634       | 108               | 291                     | -59      | -101             | -23             | 291                 | -59             | -101             | -23             |
| 49                            | U.S. foreign currency holdings and U.S. short-term assets, net .....                         | -441,685   | -552,344          | -181,098                | -96,368  | -94,689          | -180,189        | -178,262            | -93,859         | -93,188          | -187,032        |
| 50                            | Direct investment .....  | -150,901   | -161,577          | -45,788                 | -39,985  | -37,676          | -38,128         | -42,952             | -37,476         | -36,175          | -44,971         |
| 51                            | Foreign securities .....   | -128,594   | -123,606          | -27,236                 | -38,196  | -33,242          | -24,932         | -27,236             | -38,196         | -33,242          | -24,932         |
| 52                            | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....            | -92,328    | -156,988          | -52,563                 | -36,507  | -17,807          | -50,111         | -52,563             | -36,507         | -17,807          | -50,111         |
| 53                            | U.S. claims reported by U.S. banks, not included elsewhere .....                             | -69,862    | -110,173          | -55,511                 | 18,320   | -5,964           | -67,018         | -55,511             | 18,320          | -5,964           | -67,018         |
| 54                            | Foreign-owned assets in the United States, net (increase/financial inflow(+)) .....          | 753,564    | 952,430           | 236,634                 | 245,932  | 196,170          | 273,694         | 236,638             | 245,252         | 195,325          | 275,211         |
| 55                            | Foreign official assets in the United States, net .....                                      | 42,864     | 35,909            | 22,015                  | 6,346    | 11,901           | -4,353          | 22,015              | 6,346           | 11,901           | -4,353          |
| 56                            | U.S. Government securities .....   | 32,527     | 29,532            | 24,305                  | 6,334    | 5,271            | -6,378          | 24,305              | 6,334           | 5,271            | -6,378          |
| 57                            | U.S. Treasury securities <sup>9</sup> .....  | 12,177     | -11,377           | 16,198                  | -4,000   | -9,001           | -14,574         | 16,198              | -4,000          | -9,001           | -14,574         |
| 58                            | Other <sup>10</sup> .....  | 20,350     | 40,909            | 8,107                   | 10,334   | 14,272           | 8,196           | 8,107               | 10,334          | 14,272           | 8,196           |
| 59                            | Other U.S. Government liabilities <sup>11</sup> .....  | -3,255     | -2,540            | -644                    | -781     | -620             | -495            | -644                | -781            | -620             | -495            |
| 60                            | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | 12,692     | 5,790             | -2,577                  | -111     | 6,938            | 1,540           | -2,577              | -111            | 6,938            | 1,540           |
| 61                            | Other foreign official assets <sup>12</sup> .....  | 900        | 3,127             | 931                     | 904      | 312              | 980             | 931                 | 904             | 312              | 980             |
| 62                            | Other foreign assets in the United States, net .....   | 710,700    | 916,521           | 214,619                 | 239,586  | 184,269          | 278,047         | 214,623             | 238,906         | 183,424          | 279,564         |
| 63                            | Direct investment .....  | 275,533    | 316,527           | 49,061                  | 101,106  | 73,526           | 92,834          | 49,065              | 100,426         | 72,681           | 94,351          |
| 64                            | U.S. Treasury securities .....   | -20,464    | -52,206           | -9,248                  | -20,597  | -12,513          | -9,848          | -9,248              | -20,597         | -12,513          | -9,848          |
| 65                            | U.S. securities other than U.S. Treasury securities .....                                    | 331,523    | 465,858           | 132,416                 | 87,107   | 122,387          | 123,948         | 132,416             | 87,107          | 122,387          | 123,948         |
| 66                            | U.S. currency .....  | 22,407     | 1,129             | -6,847                  | 989      | 757              | 6,230           | -6,847              | 989             | 757              | 6,230           |
| 67                            | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....       | 34,298     | 105,728           | 58,061                  | 24,038   | 1,506            | 22,123          | 58,061              | 24,038          | 1,506            | 22,123          |
| 68                            | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | 67,403     | 79,485            | -8,824                  | 46,943   | -1,394           | 42,760          | -8,824              | 46,943          | -1,394           | 42,760          |
| 69                            | Statistical discrepancy (sum of above items with sign reversed) .....                        | 11,602     | 35,616            | 38,038                  | -45,409  | 20,253           | 22,734          | 43,911              | -47,770         | 11,038           | 28,444          |
| 70a                           | Of which seasonal adjustment discrepancy .....   |            |                   |                         |          |                  |                 | 5,873               | -2,361          | -9,215           | 5,710           |
| Memoranda:                    |  |            |                   |                         |          |                  |                 |                     |                 |                  |                 |
| 71                            | Balance on goods (lines 3 and 20) .....  | -345,559   | -449,468          | -99,892                 | -107,433 | -123,762         | -118,381        | -106,040            | -110,434        | -114,738         | -118,256        |
| 72                            | Balance on services (lines 4 and 21) .....   | 80,588     | 80,988            | 22,332                  | 18,040   | 19,538           | 21,078          | 20,780              | 21,689          | 19,108           | 19,403          |
| 73                            | Balance on goods and services (lines 2 and 19) .....   | -264,971   | -368,480          | -77,560                 | -89,393  | -104,224         | -97,303         | -85,260             | -88,745         | -95,630          | -98,853         |
| 74                            | Balance on income (lines 12 and 29) .....  | -18,483    | -13,656           | -3,246                  | -4,504   | -4,616           | -1,290          | -4,421              | -4,160          | -4,531           | -541            |
| 75                            | Unilateral current transfers, net (line 35) .....  | -48,025    | -53,241           | -12,249                 | -11,874  | -12,829          | -16,289         | -12,087             | -12,334         | -12,949          | -15,872         |
| 76                            | Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup> ..... | -331,479   | -435,377          | -93,055                 | -105,771 | -121,669         | -114,882        | -101,768            | -105,239        | -113,110         | -115,266        |

See footnotes on page 68.

**Table 2.—U.S. Trade in Goods**  
[Millions of dollars]

| Line |  | 1999      | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |                  |                 |         | Seasonally adjusted |         |                |                 |                  |                 |    |  |
|------|--|-----------|-------------------|-------------------------|---------|---------|---------|---------|------------------|-----------------|---------|---------------------|---------|----------------|-----------------|------------------|-----------------|----|--|
|      |  |           |                   | 1999                    |         |         | 2000    |         |                  |                 |         | 1999                |         |                |                 | 2000             |                 |    |  |
|      |  |           |                   | II                      | III     | IV      | I       | II      | III <sup>r</sup> | IV <sup>P</sup> | II      | III                 | IV      | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |    |  |
| A    | Balance of payments adjustments to Census trade data:  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
|      | EXPORTS  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 1    | Exports of goods, Census basis <sup>1</sup> including reexports and including military grant shipments .....     | 695,797   | 782,429           | 171,596                 | 169,868 | 187,728 | 187,286 | 195,319 | 195,312          | 204,512         | 169,760 | 176,917             | 182,090 | 186,352        | 193,841         | 202,720          | 199,516         |    |  |
|      | Adjustments:   |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 2    | Private gift parcel remittances .....  | 650       | 628               | 166                     | 156     | 168     | 166     | 160     | 153              | 149             | 166     | 156                 | 168     | 166            | 160             | 153              | 149             |    |  |
| 3    | Gold exports, nonmonetary .....  | 27        |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 4    | Inland U.S. freight to Canada .....  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 5    | U.S.-Canadian reconciliation adjustments, n.e.c., net <sup>2</sup> .....   |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 6    | Exports transferred under U.S. military agency sales contracts identified in Census documents <sup>3</sup> ..... | -9,893    | -7,322            | -2,853                  | -2,401  | -1,970  | -2,313  | -1,712  | -1,395           | -1,902          | -2,853  | -2,401              | -1,970  | -2,313         | -1,712          | -1,395           | -1,902          |    |  |
| 7    | Other adjustments, net <sup>4</sup> .....  | -2,223    | -2,431            | -630                    | -792    | -202    | -546    | -576    | -642             | -667            | -630    | -792                | -202    | -546           | -576            | -642             | -667            |    |  |
| 8    | Equals: Exports of goods, adjusted to balance of payments basis excluding "military" (table 1, line 3) .....     | 684,358   | 773,304           | 168,279                 | 166,831 | 185,724 | 184,593 | 193,191 | 193,428          | 202,092         | 166,443 | 173,881             | 180,085 | 183,659        | 191,713         | 200,836          | 197,096         |    |  |
|      | IMPORTS  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 9    | Imports of goods, Census basis <sup>1</sup> (general imports) .....  | 1,024,618 | 1,216,743         | 248,825                 | 266,768 | 279,337 | 282,258 | 299,705 | 316,074          | 318,706         | 249,666 | 264,461             | 274,128 | 287,472        | 301,228         | 314,458          | 313,585         |    |  |
|      | Adjustments:   |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 10   | Electric energy .....  | 48        | 48                | 12                      | 12      | 12      | 12      | 12      | 12               | 12              | 12      | 12                  | 12      | 12             | 12              | 12               | 12              | 12 |  |
| 11   | Gold imports, nonmonetary .....  | 2,727     | 3,213             | 112                     | 1,083   | 1,532   | 1,535   | 162     | 439              | 1,077           | 112     | 1,083               | 1,532   | 1,535          | 162             | 439              | 1,077           |    |  |
| 12   | Inland freight in Canada .....   | 3,654     | 3,932             | 925                     | 888     | 934     | 999     | 1,006   | 962              | 965             | 925     | 888                 | 934     | 999            | 1,006           | 962              | 965             |    |  |
| 13   | U.S.-Canadian reconciliation adjustment, n.e.c., net <sup>2</sup> .....  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 14   | Imports of U.S. military agencies identified in Census documents <sup>3</sup> ..                                 | -1,043    | -1,153            | -265                    | -228    | -277    | -321    | -264    | -285             | -283            | -265    | -228                | -277    | -321           | -264            | -285             | -283            |    |  |
| 15   | Other adjustments, net <sup>5,6</sup> .....  | -87       | -11               | -23                     | -16     | -12     | 2       | 3       | -12              | -4              | -23     | -16                 | -12     | 2              | 3               | -12              | -4              |    |  |
| 16   | Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20) .....   | 1,029,917 | 1,222,772         | 249,586                 | 268,507 | 281,526 | 284,485 | 300,624 | 317,190          | 320,473         | 250,427 | 266,199             | 276,318 | 289,699        | 302,147         | 315,574          | 315,352         |    |  |
| B    | Trade in goods, by area and country, adjusted to balance of payments basis, excluding military: <sup>7</sup>     |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
|      | EXPORTS  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 1    | Total, all countries (A-8) .....   | 684,358   | 773,304           | 168,279                 | 166,831 | 185,724 | 184,593 | 193,191 | 193,428          | 202,092         | 166,443 | 173,881             | 180,085 | 183,659        | 191,713         | 200,836          | 197,096         |    |  |
| 2    | Western Europe .....   | 162,518   | 178,352           | 40,175                  | 37,735  | 43,334  | 43,726  | 44,452  | 42,675           | 47,499          | 39,671  | 39,288              | 42,114  | 43,618         | 44,035          | 44,235           | 46,464          |    |  |
| 3    | European Union .....   | 148,907   | 162,319           | 36,851                  | 34,452  | 39,122  | 38,838  | 40,529  | 39,344           | 43,608          | 36,382  | 35,862              | 38,018  | 38,720         | 40,144          | 40,778           | 42,677          |    |  |
| 4    | Belgium and Luxembourg .....   | 13,252    | 14,179            | 3,204                   | 3,169   | 3,412   | 3,354   | 3,440   | 3,584            | 3,801           | 3,167   | 3,298               | 3,322   | 3,335          | 3,408           | 3,719            | 3,717           |    |  |
| 5    | France .....   | 18,472    | 19,984            | 4,622                   | 3,959   | 4,875   | 4,761   | 4,887   | 4,692            | 5,644           | 4,556   | 4,114               | 4,745   | 4,753          | 4,833           | 4,859            | 5,539           |    |  |
| 6    | Germany <sup>8</sup> .....   | 26,565    | 28,902            | 6,546                   | 6,078   | 7,065   | 6,931   | 7,312   | 7,091            | 7,568           | 6,471   | 6,335               | 6,881   | 6,890          | 7,243           | 7,355            | 7,414           |    |  |
| 7    | Italy .....  | 9,892     | 10,646            | 2,562                   | 2,248   | 2,823   | 2,505   | 2,525   | 3,017            | 2,599           | 2,531   | 2,351               | 2,740   | 2,495          | 2,501           | 3,117            | 2,533           |    |  |
| 8    | Netherlands .....  | 19,304    | 21,829            | 4,667                   | 4,678   | 5,219   | 5,202   | 5,236   | 5,254            | 6,137           | 4,620   | 4,865               | 5,061   | 5,179          | 5,201           | 5,457            | 5,992           |    |  |
| 9    | United Kingdom .....   | 37,321    | 40,918            | 9,308                   | 8,972   | 9,239   | 10,030  | 10,097  | 9,600            | 11,191          | 9,161   | 9,328               | 8,965   | 10,026         | 9,989           | 9,938            | 10,965          |    |  |
| 10   | Other .....  | 24,101    | 25,861            | 5,942                   | 5,348   | 6,489   | 6,055   | 7,032   | 6,106            | 6,668           | 5,876   | 5,571               | 6,304   | 6,042          | 6,969           | 6,333            | 6,517           |    |  |
| 11   | Western Europe, excluding EU .....   | 13,611    | 16,033            | 3,324                   | 3,283   | 4,212   | 4,888   | 3,923   | 3,331            | 3,891           | 3,289   | 3,426               | 4,096   | 4,698          | 3,891           | 3,457            | 3,787           |    |  |
| 12   | Canada <sup>2</sup> .....  | 166,533   | 178,924           | 42,840                  | 39,734  | 43,792  | 45,587  | 46,714  | 42,331           | 44,292          | 42,356  | 41,304              | 42,583  | 45,421         | 46,356          | 43,845           | 43,302          |    |  |
| 13   | Japan .....  | 56,352    | 64,010            | 13,319                  | 13,515  | 15,058  | 15,366  | 15,612  | 16,034           | 16,998          | 13,252  | 14,160              | 14,496  | 15,187         | 15,594          | 16,738           | 16,491          |    |  |
| 14   | Australia, New Zealand, and South Africa <sup>9</sup> .....  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 15   | Australia .....  | 11,664    | 12,262            | 2,757                   | 2,958   | 3,424   | 2,960   | 3,274   | 3,024            | 3,004           | 2,722   | 3,072               | 3,330   | 2,959          | 3,234           | 3,133            | 2,936           |    |  |
| 16   | Eastern Europe .....   | 5,560     | 6,124             | 1,306                   | 1,535   | 1,511   | 1,646   | 1,305   | 1,490            | 1,683           | 1,306   | 1,616               | 1,442   | 1,643          | 1,303           | 1,552            | 1,626           |    |  |
| 17   | Latin America and Other Western Hemisphere .....   | 141,310   | 170,508           | 33,856                  | 35,540  | 39,575  | 39,310  | 42,066  | 44,083           | 45,049          | 33,470  | 37,032              | 38,362  | 39,095         | 41,722          | 45,755           | 43,936          |    |  |
| 18   | Brazil .....   | 13,124    | 15,308            | 3,214                   | 3,322   | 3,606   | 3,178   | 3,645   | 4,233            | 4,252           | 3,162   | 3,446               | 3,506   | 3,172          | 3,596           | 4,379            | 4,161           |    |  |
| 19   | Mexico .....   | 86,621    | 111,458           | 20,301                  | 22,321  | 25,100  | 25,865  | 27,575  | 28,815           | 29,203          | 20,066  | 23,246              | 24,354  | 25,731         | 27,346          | 29,896           | 28,485          |    |  |
| 20   | Venezuela .....  | 5,328     | 5,533             | 1,276                   | 1,375   | 1,232   | 1,244   | 1,395   | 1,407            | 1,487           | 1,258   | 1,441               | 1,187   | 1,232          | 1,386           | 1,461            | 1,454           |    |  |
| 21   | Other .....  | 36,237    | 38,209            | 9,065                   | 8,522   | 9,637   | 9,023   | 9,451   | 9,628            | 10,107          | 8,984   | 8,899               | 9,315   | 8,960          | 9,394           | 10,019           | 9,836           |    |  |
| 22   | Other countries in Asia and Africa <sup>7,9</sup> .....  | 140,421   | 163,124           | 34,026                  | 35,814  | 39,030  | 35,998  | 39,768  | 43,791           | 43,567          | 33,666  | 37,409              | 37,758  | 35,736         | 39,469          | 45,578           | 42,341          |    |  |
| 23   | Asia <sup>7,9</sup> .....  | 130,045   | 152,653           | 31,454                  | 33,358  | 36,007  | 33,759  | 37,216  | 40,979           | 40,699          | 31,101  | 34,823              | 34,849  | 33,519         | 36,922          | 42,624           | 39,588          |    |  |
| 24   | Members of OPEC .....  | 12,148    | 10,840            | 2,555                   | 2,320   | 4,454   | 2,368   | 2,345   | 2,836            | 3,291           | 2,546   | 2,463               | 4,325   | 2,375          | 2,330           | 2,956            | 3,179           |    |  |
| 25   | China .....  | 16,152    | 3,550             | 3,541                   | 3,175   | 3,173   | 4,073   | 4,389   | 4,517            | 3,502           | 3,691   | 3,074               | 3,129   | 4,045          | 4,589           | 4,389            |                 |    |  |
| 26   | Hong Kong .....  | 12,558    | 14,539            | 2,996                   | 3,264   | 3,330   | 3,156   | 3,548   | 3,806            | 4,029           | 2,970   | 3,409               | 3,222   | 3,125          | 3,529           | 3,958            | 3,927           |    |  |
| 27   | Korea, Republic of .....   | 22,379    | 27,418            | 5,641                   | 6,038   | 5,962   | 6,400   | 7,232   | 7,030            | 6,756           | 5,589   | 6,302               | 5,765   | 6,346          | 7,184           | 7,322            | 6,566           |    |  |
| 28   | Singapore .....  | 16,066    | 17,673            | 3,700                   | 4,389   | 4,114   | 4,021   | 4,030   | 4,880            | 4,742           | 3,634   | 4,542               | 3,998   | 3,999          | 3,983           | 5,047            | 4,644           |    |  |
| 29   | Taiwan .....   | 17,683    | 23,774            | 4,229                   | 4,577   | 5,098   | 5,209   | 6,025   | 6,830            | 5,710           | 4,188   | 4,792               | 4,914   | 5,160          | 5,965           | 7,114            | 5,535           |    |  |
| 30   | Africa <sup>7,9</sup> .....  | 9,596     | 10,103            | 2,434                   | 2,335   | 2,576   | 2,167   | 2,475   | 2,723            | 2,738           | 2,427   | 2,460               | 2,466   | 2,144          | 2,469           | 2,862            | 2,628           |    |  |
| 31   | Members of OPEC .....  | 1,090     | 1,585             | 239                     | 300     | 241     | 362     | 243     | 502              | 478             | 238     | 318                 | 225     | 362            | 245             | 525              | 453             |    |  |
| 32   | International organizations and unallocated .....  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
|      | Memoranda:   |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |    |  |
| 33   | Industrial countries <sup>7</sup> .....  | 401,530   | 438,566           | 100,054                 | 95,164  | 106,875 | 108,595 | 111,359 | 105,509          | 113,103         | 98,954  | 99,092              | 103,751 | 108,136        | 110,513         | 109,445          | 110,472         |    |  |
| 34   | Of which: Euro area <sup>10</sup> .....  | 104,892   | 114,497           | 25,846                  | 23,983  | 28,269  | 26,995  | 28,693  | 28,077           | 30,732          | 25,546  | 24,973              | 27,487  | 26,879         | 28,435          | 29,115           | 30,068          |    |  |
| 35   | Members of OPEC <sup>7</sup> .....   | 18,566    | 17,958            | 4,070                   | 3,995   | 5,927   | 3,974   | 3,983   | 4,745            | 5,256           | 4,042   | 4,222               | 7,537   | 3,969          | 3,961           | 4,942            | 5,086           |    |  |
| 36   | Other countries <sup>7</sup> .....   | 264,262   | 316,780           | 64,155                  | 67,672  | 72,922  | 72,024  | 77,849  | 83,173           | 83,733          | 63,447  | 70,567              | 70,597  | 71,554         | 77,239          | 86,449           | 81,538          |    |  |

See footnotes on page 68.

**Table 2.—U.S. Trade in Goods—Continued**  
 (Millions of dollars)

| Line |   | 1999      | 2000 <sup>P</sup> | Not seasonally adjusted |          |         |         |          |                  |                 |         | Seasonally adjusted |         |          |                |                 |                  |                 |  |
|------|---|-----------|-------------------|-------------------------|----------|---------|---------|----------|------------------|-----------------|---------|---------------------|---------|----------|----------------|-----------------|------------------|-----------------|--|
|      |   |           |                   | 1999                    |          |         |         | 2000     |                  |                 |         | 1999                |         |          |                | 2000            |                  |                 |  |
|      |   |           |                   | II                      | III      | IV      | I       | II       | III <sup>r</sup> | IV <sup>P</sup> |         | II                  | III     | IV       | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |  |
| B    | Trade in goods, by area and country, adjusted to balance of payments basis, excluding military <sup>7</sup> —Continued: |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
|      | IMPORTS   |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
| 37   | Total, all countries (A–16) .....   | 1,029,917 | 1,222,772         | 249,586                 | 268,507  | 281,526 | 284,485 | 300,624  | 317,190          | 320,473         | 250,427 | 266,199             | 276,318 | 289,699  | 302,147        | 315,574         | 315,352          |                 |  |
| 38   | Western Europe .....  | 214,756   | 243,395           | 52,545                  | 54,390   | 59,558  | 58,413  | 59,737   | 60,306           | 64,939          | 52,733  | 53,954              | 58,449  | 59,399   | 60,056         | 60,006          | 63,934           |                 |  |
| 39   | European Union .....  | 194,527   | 219,904           | 48,041                  | 49,099   | 52,942  | 52,155  | 54,434   | 54,543           | 58,772          | 48,210  | 48,694              | 51,918  | 53,061   | 54,729         | 54,272          | 57,842           |                 |  |
| 40   | Belgium and Luxembourg .....  | 9,502     | 10,262            | 2,414                   | 2,191    | 2,450   | 2,538   | 2,456    | 2,468            | 2,800           | 2,423   | 2,174               | 2,399   | 2,575    | 2,470          | 2,460           | 2,757            |                 |  |
| 41   | France .....  | 25,685    | 29,762            | 6,270                   | 6,594    | 6,849   | 7,065   | 7,426    | 6,929            | 8,342           | 6,293   | 6,533               | 6,710   | 7,199    | 7,458          | 6,890           | 8,215            |                 |  |
| 42   | Germany <sup>8</sup> .....  | 55,151    | 58,558            | 13,756                  | 13,853   | 15,106  | 14,143  | 14,469   | 14,934           | 15,012          | 13,811  | 13,746              | 14,827  | 14,386   | 14,556         | 14,842          | 14,774           |                 |  |
| 43   | Italy .....   | 22,339    | 25,035            | 5,600                   | 5,676    | 5,857   | 5,901   | 6,145    | 6,700            | 6,289           | 5,615   | 5,628               | 5,744   | 6,010    | 6,172          | 6,665           | 6,188            |                 |  |
| 44   | Netherlands .....   | 8,428     | 9,651             | 1,953                   | 2,063    | 2,561   | 2,350   | 2,414    | 2,375            | 2,512           | 1,962   | 2,047               | 2,517   | 2,391    | 2,426          | 2,365           | 2,469            |                 |  |
| 45   | United Kingdom .....  | 38,789    | 43,206            | 9,636                   | 9,927    | 10,450  | 10,523  | 10,755   | 10,539           | 11,389          | 9,666   | 9,837               | 10,255  | 10,691   | 10,814         | 10,485          | 11,216           |                 |  |
| 46   | Other .....   | 34,633    | 43,430            | 8,412                   | 8,795    | 9,669   | 9,635   | 10,769   | 10,598           | 12,428          | 8,440   | 8,729               | 9,466   | 9,809    | 10,833         | 10,565          | 12,223           |                 |  |
| 47   | Western Europe, excluding EU .....  | 20,229    | 23,491            | 4,504                   | 5,291    | 6,616   | 6,258   | 5,303    | 5,763            | 6,167           | 4,523   | 5,260               | 6,531   | 6,338    | 5,327          | 5,734           | 6,092            |                 |  |
| 48   | Canada <sup>2</sup> .....   | 201,268   | 232,039           | 50,225                  | 49,840   | 53,635  | 57,105  | 58,906   | 56,345           | 59,683          | 50,395  | 49,353              | 52,600  | 58,127   | 59,167         | 55,980          | 58,765           |                 |  |
| 49   | Japan .....   | 130,877   | 146,477           | 30,784                  | 33,187   | 35,894  | 34,684  | 36,515   | 36,618           | 38,660          | 30,885  | 32,901              | 35,214  | 35,323   | 36,741         | 36,437          | 37,976           |                 |  |
| 50   | Australia, New Zealand, and South Africa <sup>9</sup> .....   |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
| 51   | Australia .....   | 5,271     | 6,432             | 1,378                   | 1,443    | 1,366   | 1,346   | 1,677    | 1,733            | 1,676           | 1,380   | 1,430               | 1,339   | 1,375    | 1,682          | 1,720           | 1,655            |                 |  |
| 52   | Eastern Europe .....  | 11,813    | 16,098            | 3,107                   | 2,851    | 3,454   | 4,018   | 3,682    | 4,443            | 3,955           | 3,120   | 2,829               | 3,403   | 4,078    | 3,697          | 4,428           | 3,895            |                 |  |
| 53   | Latin America and Other Western Hemisphere .....  | 169,069   | 210,057           | 41,173                  | 44,767   | 45,838  | 49,353  | 52,121   | 54,663           | 53,920          | 41,321  | 44,400              | 45,048  | 50,177   | 52,385         | 54,391          | 53,104           |                 |  |
| 54   | Brazil .....  | 11,314    | 13,856            | 2,880                   | 3,072    | 2,979   | 3,244   | 3,532    | 3,830            | 3,250           | 2,889   | 3,043               | 2,925   | 3,313    | 3,541          | 3,799           | 3,203            |                 |  |
| 55   | Mexico .....  | 110,590   | 136,772           | 27,161                  | 28,871   | 29,653  | 31,836  | 34,084   | 35,818           | 35,034          | 27,262  | 28,628              | 29,104  | 32,416   | 34,273         | 35,650          | 34,433           |                 |  |
| 56   | Venezuela .....   | 11,334    | 18,620            | 2,626                   | 3,387    | 3,477   | 4,290   | 4,531    | 4,680            | 5,119           | 2,636   | 3,370               | 3,452   | 4,321    | 4,553          | 4,656           | 5,090            |                 |  |
| 57   | Other .....   | 35,831    | 40,809            | 8,506                   | 9,437    | 9,729   | 9,983   | 9,974    | 10,335           | 10,517          | 8,534   | 9,359               | 9,567   | 10,127   | 10,018         | 10,286          | 10,378           |                 |  |
| 58   | Other countries in Asia and Africa <sup>7,9</sup> .....   | 296,863   | 368,274           | 70,374                  | 82,029   | 81,781  | 79,566  | 87,986   | 103,082          | 97,640          | 70,593  | 81,332              | 80,265  | 81,220   | 88,419         | 102,612         | 96,023           |                 |  |
| 59   | Asia <sup>7,9</sup> .....   | 279,537   | 340,274           | 66,221                  | 77,305   | 76,833  | 73,637  | 80,888   | 95,519           | 90,230          | 66,429  | 76,640              | 75,369  | 75,237   | 81,280         | 95,083          | 88,674           |                 |  |
| 60   | Members of OPEC .....   | 24,432    | 35,239            | 5,560                   | 6,862    | 7,472   | 7,660   | 8,424    | 9,725            | 9,430           | 5,578   | 6,838               | 7,389   | 7,751    | 8,464          | 9,682           | 9,342            |                 |  |
| 61   | China .....   | 81,789    | 100,038           | 19,300                  | 23,626   | 22,442  | 19,914  | 23,462   | 29,363           | 27,299          | 19,367  | 23,418              | 21,970  | 20,442   | 23,591         | 29,245          | 26,760           |                 |  |
| 62   | Hong Kong .....   | 10,524    | 11,459            | 2,361                   | 3,084    | 2,846   | 2,599   | 2,662    | 3,450            | 2,748           | 2,366   | 3,056               | 2,786   | 2,668    | 2,666          | 3,432           | 2,693            |                 |  |
| 63   | Korea, Republic of .....  | 31,152    | 40,264            | 7,485                   | 8,135    | 9,094   | 8,897   | 9,553    | 10,723           | 11,091          | 7,513   | 8,069               | 8,934   | 9,092    | 9,597          | 10,670          | 10,905           |                 |  |
| 64   | Singapore .....   | 18,200    | 19,204            | 4,513                   | 4,753    | 4,764   | 4,305   | 4,536    | 5,277            | 5,086           | 4,528   | 4,713               | 4,668   | 4,396    | 4,556          | 5,247           | 5,005            |                 |  |
| 65   | Taiwan .....  | 35,208    | 40,523            | 8,702                   | 9,110    | 9,420   | 9,086   | 10,093   | 10,980           | 10,364          | 8,725   | 9,023               | 9,240   | 9,287    | 10,137         | 10,924          | 10,175           |                 |  |
| 66   | Africa <sup>7,9</sup> .....   | 16,981    | 27,696            | 4,081                   | 4,611    | 4,855   | 5,868   | 7,026    | 7,468            | 7,334           | 4,091   | 4,581               | 4,805   | 5,921    | 7,068          | 7,433           | 7,274            |                 |  |
| 67   | Members of OPEC .....   | 6,210     | 13,326            | 1,506                   | 1,831    | 1,707   | 2,719   | 3,464    | 3,727            | 3,416           | 1,512   | 1,820               | 1,699   | 2,733    | 3,487          | 3,707           | 3,399            |                 |  |
| 68   | International organizations and unallocated .....   |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
|      | Memoranda:  |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
| 69   | Industrial countries <sup>7</sup> .....   | 557,111   | 634,630           | 136,199                 | 140,123  | 151,773 | 152,885 | 158,523  | 156,698          | 166,524         | 136,664 | 138,889             | 148,896 | 155,584  | 159,341        | 155,835         | 163,870          |                 |  |
| 70   | Of which: Euro area <sup>10</sup> .....   | 144,289   | 163,596           | 35,374                  | 36,547   | 39,282  | 38,447  | 40,413   | 41,061           | 43,675          | 35,500  | 36,250              | 38,514  | 39,131   | 40,633         | 40,854          | 42,978           |                 |  |
| 71   | Members of OPEC <sup>7</sup> .....  | 41,976    | 67,185            | 9,692                   | 12,100   | 12,656  | 14,669  | 16,419   | 18,132           | 17,965          | 9,726   | 12,028              | 12,540  | 14,805   | 16,504         | 18,045          | 17,831           |                 |  |
| 72   | Other countries <sup>7</sup> .....  | 430,830   | 520,957           | 103,695                 | 116,284  | 117,097 | 116,931 | 125,682  | 142,360          | 135,984         | 104,037 | 115,282             | 114,882 | 119,310  | 126,302        | 141,694         | 133,651          |                 |  |
|      | BALANCE (EXCESS OF EXPORTS +)   |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
| 73   | Total, all countries .....  | -345,559  | -449,468          | -81,307                 | -101,676 | -95,802 | -99,892 | -107,433 | -123,762         | -118,381        | -83,984 | -92,318             | -96,233 | -106,040 | -110,434       | -114,738        | -118,256         |                 |  |
| 74   | Western Europe .....  | -52,238   | -65,043           | -12,370                 | -16,655  | -16,224 | -14,687 | -15,285  | -17,631          | -17,440         | -13,062 | -14,666             | -16,335 | -15,781  | -16,021        | -15,771         | -17,470          |                 |  |
| 75   | European Union .....  | -45,620   | -57,585           | -11,190                 | -14,647  | -13,820 | -13,317 | -13,905  | -15,199          | -15,164         | -11,822 | -12,832             | -13,900 | -14,341  | -14,585        | -13,494         | -15,165          |                 |  |
| 76   | Belgium and Luxembourg .....  | 3,750     | 3,917             | 790                     | 978      | 962     | 816     | 984      | 1,116            | 1,001           | 744     | 1,124               | 823     | 760      | 938            | 1,259           | 960              |                 |  |
| 77   | France .....  | -7,213    | -9,778            | -1,648                  | -2,635   | -1,974  | -2,304  | -2,539   | -2,237           | -2,698          | -1,737  | -2,419              | -1,965  | -2,446   | -2,625         | -2,031          | -2,676           |                 |  |
| 78   | Germany <sup>8</sup> .....  | -28,586   | -29,656           | -7,210                  | -7,775   | -8,041  | -7,212  | -7,157   | -7,643           | -7,444          | -7,340  | -7,411              | -7,946  | -7,496   | -7,313         | -7,487          | -7,360           |                 |  |
| 79   | Italy .....   | -12,447   | -14,389           | -3,038                  | -3,428   | -3,034  | -3,396  | -3,620   | -3,683           | -3,690          | -3,084  | -3,277              | -3,004  | -3,515   | -3,671         | -3,548          | -3,655           |                 |  |
| 80   | Netherlands .....   | 10,876    | 12,178            | 2,714                   | 2,615    | 2,658   | 2,852   | 2,822    | 2,879            | 3,625           | 2,658   | 2,818               | 2,544   | 2,788    | 2,775          | 3,092           | 3,523            |                 |  |
| 81   | United Kingdom .....  | -1,468    | -2,288            | -328                    | -955     | -1,211  | -493    | -658     | -939             | -198            | -505    | -509                | -1,290  | -665     | -825           | -547            | -251             |                 |  |
| 82   | Other .....   | -10,532   | -17,569           | -2,470                  | -3,447   | -3,180  | -3,580  | -3,737   | -4,492           | -5,760          | -2,564  | -3,158              | -3,162  | -3,767   | -3,864         | -4,232          | -5,706           |                 |  |
| 83   | Western Europe, excluding EU .....  | -6,618    | -7,458            | -1,180                  | -2,008   | -2,404  | -1,370  | -1,380   | -2,432           | -2,276          | -1,234  | -1,834              | -2,435  | -1,440   | -1,436         | -2,277          | -2,305           |                 |  |
| 84   | Canada <sup>2</sup> .....   | -34,735   | -53,115           | -7,385                  | -10,106  | -9,843  | -11,518 | -12,192  | -14,014          | -15,391         | -8,039  | -8,049              | -10,017 | -12,706  | -12,811        | -12,135         | -15,463          |                 |  |
| 85   | Japan .....   | -74,525   | -82,467           | -17,465                 | -19,672  | -20,836 | -19,318 | -20,903  | -20,584          | -21,662         | -17,633 | -18,741             | -20,718 | -20,136  | -21,147        | -19,699         | -21,485          |                 |  |
| 86   | Australia, New Zealand, and South Africa <sup>9</sup> .....   |           |                   |                         |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |
| 87   | Australia .....   | 6,393     | 5,830             | 1,379                   | 1,515    | 2,058   | 1,614   | 1,597    | 1,291            | 1,328           | 1,342   | 1,642               | 1,991   | 1,584    | 1,552          | 1,413           | 1,281            |                 |  |
| 88   | Eastern Europe .....  | -6,253    | -9,974            | -1,                     |          |         |         |          |                  |                 |         |                     |         |          |                |                 |                  |                 |  |



**Table 2.—U.S. Trade in Goods—Continued**  
[Millions of dollars]

| Line |   | 1999    | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |                  |                 |         | Seasonally adjusted |         |                |                 |                  |                 |  |  |
|------|---|---------|-------------------|-------------------------|---------|---------|---------|---------|------------------|-----------------|---------|---------------------|---------|----------------|-----------------|------------------|-----------------|--|--|
|      |   |         |                   | 1999                    |         |         |         | 2000    |                  |                 |         | 1999                |         |                |                 | 2000             |                 |  |  |
|      |   |         |                   | II                      | III     | IV      | I       | II      | III <sup>r</sup> | IV <sup>P</sup> | II      | III                 | IV      | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |  |  |
| C    | Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military: |         |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |  |  |
| 1    | Exports of goods, balance of payments basis, excluding military (A-B)                                     | 684,358 | 773,304           | 168,279                 | 166,831 | 185,724 | 184,593 | 193,191 | 193,428          | 202,092         | 166,443 | 173,881             | 180,085 | 183,659        | 191,713         | 200,836          | 197,096         |  |  |
| 2    | Agricultural products .....   | 49,619  | 53,214            | 11,597                  | 11,949  | 13,955  | 13,709  | 12,301  | 12,477           | 14,727          | 12,236  | 13,178              | 12,494  | 13,012         | 13,083          | 13,842           | 13,277          |  |  |
| 3    | Nonagricultural products .....  | 634,739 | 720,090           | 156,682                 | 154,882 | 171,769 | 170,884 | 180,890 | 180,951          | 187,365         | 154,207 | 160,703             | 167,591 | 170,647        | 178,630         | 186,994          | 183,819         |  |  |
| 4    | Foods, feeds, and beverages .....   | 45,532  | 47,826            | 10,552                  | 11,220  | 12,800  | 12,057  | 10,948  | 11,686           | 13,135          | 11,265  | 11,955              | 11,586  | 11,704         | 11,763          | 12,453           | 11,906          |  |  |
| 5    | Agricultural .....  | 41,540  | 43,648            | 9,694                   | 10,064  | 11,740  | 11,160  | 9,981   | 10,435           | 12,072          | 10,272  | 10,945              | 10,515  | 10,804         | 10,648          | 11,363           | 10,833          |  |  |
| 6    | Grains and preparations .....   | 13,910  | 13,658            | 3,363                   | 3,496   | 3,644   | 3,449   | 3,214   | 3,528            | 3,467           | 3,643   | 3,659               | 3,370   | 3,239          | 3,468           | 3,695            | 3,256           |  |  |
| 7    | Wheat .....   | 3,730   | 3,504             | 936                     | 1,054   | 942     | 722     | 866     | 1,002            | 914             | 1,041   | 924                 | 893     | 778            | 952             | 886              | 888             |  |  |
| 8    | Corn .....  | 5,267   | 4,891             | 1,391                   | 1,398   | 1,247   | 1,235   | 1,226   | 1,295            | 1,135           | 1,478   | 1,521               | 1,136   | 1,138          | 1,306           | 1,388            | 1,059           |  |  |
| 9    | Soybeans .....  | 4,623   | 5,368             | 714                     | 881     | 1,734   | 1,716   | 849     | 885              | 1,918           | 1,072   | 1,454               | 1,082   | 1,386          | 1,315           | 1,467            | 1,200           |  |  |
| 10   | Meat products and poultry .....   | 6,850   | 8,001             | 1,586                   | 1,736   | 2,042   | 2,104   | 1,864   | 1,928            | 2,105           | 1,572   | 1,746               | 1,986   | 2,145          | 1,849           | 1,953            | 2,054           |  |  |
| 11   | Vegetables, fruits, nuts, and preparations .....  | 7,956   | 8,374             | 2,036                   | 1,881   | 2,105   | 1,914   | 2,097   | 2,038            | 2,325           | 1,984   | 2,006               | 1,953   | 1,987          | 2,057           | 2,192            | 2,138           |  |  |
| 12   | Other agricultural foods, feeds, and beverages .....  | 8,201   | 8,247             | 1,995                   | 2,070   | 2,215   | 1,977   | 1,957   | 2,056            | 2,257           | 2,001   | 2,080               | 2,124   | 2,047          | 1,959           | 2,056            | 2,185           |  |  |
| 13   | Nonagricultural (fish, distilled beverages, etc.) .....   | 3,992   | 4,178             | 858                     | 1,156   | 1,060   | 897     | 967     | 1,251            | 1,063           | 993     | 1,010               | 1,071   | 900            | 1,115           | 1,090            | 1,073           |  |  |
| 14   | Fish and shellfish .....  | 2,970   | 3,039             | 605                     | 910     | 760     | 668     | 688     | 936              | 747             | 736     | 767                 | 793     | 649            | 834             | 777              | 779             |  |  |
| 15   | Industrial supplies and materials .....   | 147,029 | 172,192           | 35,804                  | 36,756  | 40,496  | 42,193  | 42,310  | 43,193           | 44,496          | 35,195  | 37,276              | 40,460  | 41,756         | 41,717          | 44,091           | 44,628          |  |  |
| 16   | Agricultural .....  | 7,776   | 9,273             | 1,821                   | 1,833   | 2,131   | 2,465   | 2,245   | 1,990            | 2,573           | 1,887   | 2,160               | 1,900   | 2,136          | 2,366           | 2,405            | 2,366           |  |  |
| 17   | Raw cotton .....  | 969     | 1,933             | 220                     | 219     | 344     | 629     | 524     | 365              | 415             | 251     | 307                 | 282     | 445            | 603             | 502              | 383             |  |  |
| 18   | Tobacco, unmanufactured .....   | 1,299   | 1,196             | 401                     | 177     | 316     | 386     | 313     | 199              | 298             | 342     | 306                 | 288     | 336            | 268             | 332              | 260             |  |  |
| 19   | Hides and skins, including furskins .....   | 1,148   | 1,657             | 274                     | 285     | 288     | 364     | 423     | 427              | 443             | 267     | 293                 | 313     | 321            | 412             | 445              | 479             |  |  |
| 20   | Other agricultural industrial supplies .....  | 4,360   | 4,487             | 926                     | 1,152   | 1,183   | 1,086   | 985     | 999              | 1,417           | 1,027   | 1,254               | 1,017   | 1,034          | 1,083           | 1,126            | 1,244           |  |  |
| 21   | Nonagricultural .....   | 139,253 | 162,919           | 33,983                  | 34,923  | 38,365  | 39,728  | 40,065  | 41,203           | 41,923          | 33,308  | 35,116              | 38,560  | 39,620         | 39,351          | 41,686           | 42,262          |  |  |
| 22   | Energy products .....   | 12,819  | 16,598            | 3,079                   | 3,269   | 3,853   | 3,744   | 3,694   | 4,223            | 4,937           | 3,085   | 3,216               | 3,837   | 3,762          | 3,686           | 4,221            | 4,929           |  |  |
| 23   | Fuels and lubricants .....  | 12,540  | 16,197            | 3,020                   | 3,196   | 3,784   | 3,699   | 3,625   | 4,152            | 4,721           | 3,026   | 3,143               | 3,768   | 3,717          | 3,616           | 4,151            | 4,713           |  |  |
| 24   | Coal and related fuels .....  | 2,749   | 2,592             | 674                     | 720     | 663     | 609     | 640     | 688              | 655             | 673     | 688                 | 653     | 647            | 636             | 666              | 643             |  |  |
| 25   | Petroleum and products .....  | 8,620   | 11,992            | 2,043                   | 2,217   | 2,760   | 2,752   | 2,629   | 3,040            | 3,571           | 2,050   | 2,197               | 2,754   | 2,731          | 2,625           | 3,061            | 3,575           |  |  |
| 26   | Paper and paper base stocks .....   | 12,174  | 14,152            | 2,938                   | 3,039   | 3,344   | 3,559   | 3,662   | 3,584            | 3,347           | 2,908   | 3,053               | 3,363   | 3,621          | 3,629           | 3,621            | 3,381           |  |  |
| 27   | Textile supplies and related materials .....  | 9,215   | 10,663            | 2,412                   | 2,284   | 2,350   | 2,496   | 2,707   | 2,756            | 2,704           | 2,298   | 2,340               | 2,385   | 2,489          | 2,578           | 2,839            | 2,757           |  |  |
| 28   | Chemicals, excluding medicinals .....   | 45,959  | 52,460            | 11,347                  | 11,350  | 12,413  | 12,360  | 13,035  | 13,623           | 13,442          | 11,069  | 11,521              | 12,466  | 12,260         | 12,769          | 13,917           | 13,514          |  |  |
| 29   | Building materials, except metals .....   | 8,166   | 8,771             | 2,092                   | 2,042   | 2,065   | 2,140   | 2,229   | 2,204            | 2,198           | 2,029   | 2,060               | 2,073   | 2,159          | 2,166           | 2,218            | 2,228           |  |  |
| 30   | Other nonmetals .....   | 18,467  | 21,178            | 4,563                   | 4,567   | 4,920   | 5,260   | 5,311   | 5,186            | 5,421           | 4,458   | 4,640               | 4,956   | 5,211          | 5,202           | 5,278            | 5,487           |  |  |
| 31   | Metals and nonmetallic products .....   | 32,453  | 39,097            | 7,552                   | 8,372   | 9,420   | 10,169  | 9,427   | 9,627            | 9,874           | 7,461   | 8,286               | 9,480   | 10,218         | 9,321           | 9,592            | 9,966           |  |  |
| 32   | Steelmaking materials .....   | 1,397   | 1,698             | 376                     | 364     | 383     | 389     | 470     | 424              | 415             | 354     | 354                 | 388     | 419            | 438             | 421              | 420             |  |  |
| 33   | Iron and steel products .....   | 5,741   | 6,827             | 1,403                   | 1,452   | 1,544   | 1,716   | 1,706   | 1,717            | 1,688           | 1,377   | 1,476               | 1,550   | 1,698          | 1,680           | 1,751            | 1,698           |  |  |
| 34   | Nonferrous metals .....   | 13,540  | 16,058            | 2,812                   | 3,577   | 4,410   | 4,747   | 3,398   | 3,775            | 4,138           | 2,848   | 3,478               | 4,414   | 4,794          | 3,446           | 3,674            | 4,144           |  |  |
| 35   | Nonmonetary gold .....  | 5,263   | 6,023             | 811                     | 1,521   | 2,192   | 2,405   | 924     | 1,058            | 1,636           | 811     | 1,521               | 2,192   | 2,404          | 924             | 1,058            | 1,637           |  |  |
| 36   | Other precious metals .....   | 1,812   | 2,497             | 460                     | 386     | 462     | 576     | 613     | 637              | 671             | 460     | 386                 | 462     | 576            | 613             | 637              | 671             |  |  |
| 37   | Other nonferrous metals .....   | 6,465   | 7,538             | 1,541                   | 1,670   | 1,756   | 1,766   | 1,861   | 2,080            | 1,831           | 1,577   | 1,571               | 1,760   | 1,814          | 1,909           | 1,979            | 1,836           |  |  |
| 38   | Other metals and nonmetallic products .....   | 11,775  | 14,514            | 2,961                   | 2,979   | 3,083   | 3,317   | 3,853   | 3,711            | 3,633           | 2,882   | 2,978               | 3,128   | 3,307          | 3,757           | 3,746            | 3,704           |  |  |
| 39   | Capital goods, except automotive .....  | 311,775 | 356,820           | 75,819                  | 76,684  | 84,626  | 81,376  | 89,085  | 91,600           | 94,759          | 75,730  | 79,440              | 81,318  | 81,584         | 89,242          | 94,166           | 91,828          |  |  |
| 40   | Machinery, except consumer-type .....   | 255,808 | 306,335           | 62,036                  | 64,445  | 69,401  | 70,035  | 74,734  | 79,959           | 81,607          | 62,604  | 65,593              | 67,012  | 70,131         | 75,572          | 81,249           | 79,383          |  |  |
| 41   | Electric generating machinery, electric apparatus, and parts .....  | 29,403  | 35,875            | 7,160                   | 7,443   | 7,951   | 8,038   | 8,825   | 9,473            | 9,539           | 7,153   | 7,475               | 7,846   | 8,018          | 8,640           | 9,534            | 9,483           |  |  |
| 42   | Nonelectric, including parts and attachments .....  | 226,405 | 270,460           | 54,876                  | 57,002  | 61,450  | 61,997  | 65,909  | 70,486           | 72,068          | 55,451  | 58,118              | 59,166  | 62,113         | 66,732          | 71,715           | 69,900          |  |  |
| 43   | Oil drilling, mining, and construction machinery .....  | 11,987  | 12,666            | 2,984                   | 3,016   | 3,052   | 2,998   | 3,061   | 3,224            | 3,383           | 2,908   | 3,019               | 3,073   | 3,004          | 2,961           | 3,263            | 3,438           |  |  |
| 44   | Industrial engines, pumps, and compressors .....  | 11,899  | 12,454            | 2,898                   | 2,847   | 3,145   | 2,989   | 3,035   | 3,168            | 3,262           | 2,887   | 2,959               | 2,982   | 3,028          | 3,026           | 3,269            | 3,131           |  |  |
| 45   | Machine tools and metalworking machinery .....  | 6,193   | 7,442             | 1,576                   | 1,568   | 1,676   | 1,731   | 1,784   | 1,875            | 2,052           | 1,571   | 1,633               | 1,591   | 1,753          | 1,780           | 1,937            | 1,972           |  |  |
| 46   | Measuring, testing, and control instruments .....   | 13,142  | 16,276            | 3,216                   | 3,299   | 3,320   | 3,678   | 3,957   | 4,218            | 4,423           | 3,169   | 3,422               | 3,490   | 3,595          | 3,914           | 4,362            | 4,405           |  |  |
| 47   | Other industrial, agricultural, and service industry machinery .....                                      | 43,097  | 51,084            | 10,841                  | 10,799  | 11,506  | 12,130  | 12,748  | 13,119           | 13,087          | 10,582  | 11,066              | 11,397  | 12,167         | 12,440          | 13,394           | 13,083          |  |  |
| 48   | Computers, peripherals, and parts .....   | 46,724  | 55,606            | 11,233                  | 11,543  | 12,831  | 12,874  | 13,381  | 14,186           | 15,165          | 11,649  | 11,954              | 11,937  | 12,842         | 13,890          | 14,686           | 14,188          |  |  |
| 49   | Semiconductors .....  | 46,962  | 59,995            | 11,085                  | 12,158  | 13,136  | 13,234  | 14,535  | 16,396           | 15,830          | 11,372  | 12,156              | 12,831  | 13,183         | 14,950          | 16,275           | 15,587          |  |  |
| 50   | Telecommunications equipment .....  | 26,622  | 32,568            | 6,289                   | 6,957   | 7,226   | 7,167   | 8,023   | 8,722            | 8,656           | 6,504   | 6,909               | 6,723   | 7,412          | 8,308           | 8,744            | 8,104           |  |  |
| 51   | Other office and business machines .....  | 2,999   | 3,195             | 711                     | 730     | 864     | 749     | 783     | 837              | 826             | 733     | 741                 | 795     | 786            | 805             | 848              | 756             |  |  |
| 52   | Scientific, hospital, and medical equipment and parts .....   | 16,780  | 19,174            | 4,043                   | 4,085   | 4,494   | 4,447   | 4,602   | 4,741            | 5,384           | 4,076   | 4,259               | 4,347   | 4,343          | 4,658           | 4,937            | 5,236           |  |  |
| 53   | Civilian aircraft, engines, parts .....   | 52,921  | 48,042            | 13,192                  | 11,654  | 14,171  | 10,666  | 13,767  | 11,112           | 12,497          | 12,535  | 13,262              | 13,252  | 10,778         | 13,087          | 12,387           | 11,790          |  |  |
| 54   | Civilian aircraft, complete, all types .....  | 28,996  | 22,638            | 7,230                   | 5,844   | 8,004   | 4,559   | 7,385   | 4,832            | 5,862           | 6,577   | 7,319               | 7,225   | 4,             |                 |                  |                 |  |  |

**Table 2.—U.S. Trade in Goods—Continued**  
[Millions of dollars]

| Line |   | 1999      | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |                  |                 |         | Seasonally adjusted |         |                |                 |                  |                 |  |  |
|------|---|-----------|-------------------|-------------------------|---------|---------|---------|---------|------------------|-----------------|---------|---------------------|---------|----------------|-----------------|------------------|-----------------|--|--|
|      |   |           |                   | 1999                    |         |         |         | 2000    |                  |                 |         | 1999                |         |                |                 | 2000             |                 |  |  |
|      |   |           |                   | II                      | III     | IV      | I       | II      | III <sup>r</sup> | IV <sup>P</sup> | II      | III                 | IV      | I <sup>r</sup> | II <sup>r</sup> | III <sup>r</sup> | IV <sup>P</sup> |  |  |
| C    | Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military—Continued: |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |  |  |
| 74   | Imports of goods, balance of payments basis, excluding military (A-16) .....  | 1,029,917 | 1,222,772         | 249,586                 | 268,507 | 281,526 | 284,485 | 300,624 | 317,190          | 320,473         | 250,427 | 266,199             | 276,318 | 289,699        | 302,147         | 315,574          | 315,352         |  |  |
| 75   | Petroleum and products <sup>6</sup> .....   | 67,807    | 120,277           | 15,875                  | 19,993  | 21,546  | 26,918  | 29,166  | 31,965           | 32,228          | 15,940  | 19,903              | 21,432  | 27,067         | 29,322          | 31,814           | 32,074          |  |  |
| 76   | Nonpetroleum products .....   | 962,110   | 1,102,495         | 233,711                 | 248,514 | 259,980 | 257,567 | 271,458 | 285,225          | 288,245         | 234,487 | 246,296             | 254,886 | 262,632        | 272,825         | 283,760          | 283,278         |  |  |
| 77   | Foods, feeds, and beverages .....   | 43,578    | 45,982            | 11,082                  | 10,627  | 11,459  | 11,076  | 11,533  | 11,438           | 11,935          | 10,909  | 11,010              | 11,143  | 11,143         | 11,408          | 11,824           | 11,607          |  |  |
| 78   | Agricultural .....  | 31,476    | 32,582            | 8,248                   | 7,381   | 7,920   | 8,355   | 8,464   | 7,687            | 8,076           | 7,966   | 7,917               | 7,900   | 8,069          | 8,209           | 8,228            | 8,076           |  |  |
| 79   | Coffee, cocoa, and sugar .....  | 3,712     | 3,256             | 985                     | 808     | 764     | 1,090   | 886     | 746              | 534             | 985     | 917                 | 836     | 902            | 894             | 848              | 612             |  |  |
| 80   | Green coffee .....  | 2,534     | 2,350             | 653                     | 545     | 560     | 807     | 680     | 500              | 363             | 650     | 634                 | 619     | 652            | 684             | 584              | 430             |  |  |
| 81   | Meat products and poultry .....   | 4,498     | 5,307             | 1,150                   | 1,092   | 1,237   | 1,249   | 1,377   | 1,296            | 1,385           | 1,117   | 1,130               | 1,224   | 1,262          | 1,337           | 1,342            | 1,366           |  |  |
| 82   | Vegetables, fruits, nuts, and preparations .....  | 9,135     | 9,188             | 2,589                   | 1,832   | 2,099   | 2,653   | 2,449   | 1,829            | 2,257           | 2,356   | 2,317               | 2,259   | 2,207          | 2,250           | 2,303            | 2,428           |  |  |
| 83   | Wine and related products .....   | 4,163     | 4,503             | 1,077                   | 1,092   | 1,127   | 955     | 1,180   | 1,185            | 1,183           | 1,033   | 1,055               | 1,046   | 1,118          | 1,129           | 1,148            | 1,108           |  |  |
| 84   | Other agricultural foods, feeds, and beverages .....  | 9,970     | 10,326            | 2,448                   | 2,557   | 2,694   | 2,408   | 2,571   | 2,631            | 2,716           | 2,476   | 2,499               | 2,534   | 2,581          | 2,599           | 2,586            | 2,560           |  |  |
| 85   | Nonagricultural (fish, distilled beverages, etc) .....  | 12,102    | 13,400            | 2,834                   | 3,246   | 3,539   | 2,721   | 3,069   | 3,751            | 3,859           | 2,943   | 3,093               | 3,243   | 3,074          | 3,199           | 3,596            | 3,531           |  |  |
| 86   | Fish and shellfish .....  | 8,914     | 9,913             | 2,087                   | 2,386   | 2,594   | 1,990   | 2,249   | 2,875            | 2,799           | 2,161   | 2,276               | 2,376   | 2,257          | 2,337           | 2,751            | 2,568           |  |  |
| 87   | Whiskey and other alcoholic beverages .....   | 2,618     | 2,950             | 598                     | 711     | 796     | 602     | 680     | 740              | 928             | 633     | 669                 | 718     | 689            | 722             | 708              | 831             |  |  |
| 88   | Industrial supplies and materials .....   | 224,800   | 301,349           | 54,311                  | 60,632  | 63,638  | 71,317  | 73,881  | 77,884           | 78,267          | 53,379  | 60,340              | 64,285  | 71,566         | 72,960          | 77,911           | 78,912          |  |  |
| 89   | Agricultural .....  | 5,529     | 5,579             | 1,395                   | 1,294   | 1,480   | 1,449   | 1,457   | 1,227            | 1,446           | 1,339   | 1,341               | 1,534   | 1,374          | 1,380           | 1,282            | 1,543           |  |  |
| 90   | Nonagricultural products .....  | 219,271   | 295,770           | 52,916                  | 59,338  | 62,158  | 69,868  | 72,424  | 76,657           | 76,821          | 52,040  | 58,999              | 62,751  | 70,192         | 71,580          | 76,629           | 77,369          |  |  |
| 91   | Energy products .....   | 78,222    | 136,982           | 18,342                  | 22,859  | 24,620  | 29,875  | 32,096  | 36,561           | 38,360          | 18,538  | 22,855              | 24,345  | 30,024         | 32,460          | 36,504           | 37,904          |  |  |
| 92   | Fuels and lubricants <sup>6</sup> .....   | 76,879    | 134,134           | 18,021                  | 22,389  | 24,262  | 29,566  | 31,596  | 35,539           | 37,433          | 18,197  | 22,470              | 23,978  | 29,601         | 31,929          | 35,668           | 36,936          |  |  |
| 93   | Paper and paper base stocks .....   | 11,614    | 13,725            | 2,693                   | 2,976   | 3,209   | 3,294   | 3,380   | 3,590            | 3,461           | 2,670   | 2,971               | 3,208   | 3,304          | 3,362           | 3,600            | 3,459           |  |  |
| 94   | Textile supplies and related materials .....  | 10,303    | 11,260            | 2,637                   | 2,634   | 2,611   | 2,792   | 3,012   | 2,795            | 2,661           | 2,523   | 2,605               | 2,691   | 2,824          | 2,883           | 2,900            | 2,753           |  |  |
| 95   | Chemicals, excluding medicinals .....   | 30,173    | 34,497            | 7,391                   | 7,511   | 7,709   | 8,685   | 8,726   | 8,698            | 8,388           | 7,168   | 7,740               | 8,051   | 8,159          | 8,452           | 9,094            | 8,792           |  |  |
| 96   | Building materials, except metals .....   | 21,824    | 21,809            | 5,746                   | 6,121   | 5,394   | 5,422   | 5,910   | 5,491            | 4,986           | 5,462   | 5,789               | 5,666   | 5,757          | 5,610           | 5,201            | 5,241           |  |  |
| 97   | Other nonmetals .....   | 15,821    | 17,876            | 3,917                   | 4,097   | 4,227   | 4,251   | 4,554   | 4,564            | 4,507           | 3,846   | 3,998               | 4,254   | 4,369          | 4,478           | 4,488            | 4,541           |  |  |
| 98   | Metals and nonmetallic products .....   | 51,314    | 59,711            | 12,190                  | 13,140  | 14,388  | 15,549  | 14,746  | 14,958           | 14,458          | 11,833  | 13,041              | 14,536  | 15,755         | 14,335          | 14,942           | 14,679          |  |  |
| 99   | Steelmaking materials .....   | 2,791     | 3,104             | 672                     | 676     | 859     | 800     | 896     | 800              | 608             | 632     | 655                 | 859     | 862            | 843             | 798              | 601             |  |  |
| 100  | Iron and steel products .....   | 18,125    | 20,904            | 4,559                   | 4,630   | 4,688   | 5,109   | 5,670   | 5,517            | 4,608           | 4,447   | 4,494               | 4,721   | 5,318          | 5,547           | 5,401            | 4,638           |  |  |
| 101  | Nonferrous metals .....   | 22,797    | 26,633            | 5,079                   | 5,867   | 6,855   | 7,528   | 5,889   | 6,271            | 6,945           | 4,931   | 5,926               | 6,926   | 7,469          | 5,723           | 6,358            | 7,083           |  |  |
| 102  | Nonmonetary gold .....  | 5,768     | 5,877             | 788                     | 1,849   | 2,317   | 2,394   | 740     | 1,058            | 1,685           | 788     | 1,849               | 2,317   | 2,394          | 740             | 1,058            | 1,685           |  |  |
| 103  | Other precious metals .....   | 4,463     | 6,637             | 1,053                   | 898     | 1,268   | 1,575   | 1,425   | 1,666            | 1,971           | 1,059   | 918                 | 1,247   | 1,532          | 1,419           | 1,681            | 2,005           |  |  |
| 104  | Bauxite and aluminum .....  | 6,400     | 6,980             | 1,795                   | 1,579   | 1,535   | 1,804   | 1,878   | 1,840            | 1,458           | 1,632   | 1,660               | 1,634   | 1,770          | 1,710           | 1,929            | 1,571           |  |  |
| 105  | Other nonferrous metals .....   | 6,166     | 7,139             | 1,443                   | 1,541   | 1,735   | 1,755   | 1,846   | 1,707            | 1,831           | 1,452   | 1,499               | 1,728   | 1,773          | 1,854           | 1,690            | 1,822           |  |  |
| 106  | Other metallic and nonmetallic products .....   | 7,601     | 9,070             | 1,880                   | 1,967   | 1,986   | 2,112   | 2,291   | 2,370            | 2,297           | 1,823   | 1,966               | 2,030   | 2,106          | 2,222           | 2,385            | 2,357           |  |  |
| 107  | Capital goods, except automotive .....  | 297,112   | 352,233           | 72,736                  | 76,032  | 80,857  | 79,271  | 86,843  | 91,906           | 94,213          | 72,974  | 75,641              | 78,682  | 81,128         | 87,184          | 91,911           | 92,010          |  |  |
| 108  | Machinery, except consumer-type .....   | 270,226   | 322,823           | 66,210                  | 68,901  | 74,024  | 72,667  | 79,785  | 84,459           | 85,912          | 66,522  | 68,527              | 71,816  | 74,524         | 80,192          | 84,456           | 83,651          |  |  |
| 109  | Electric generating machinery, electric apparatus and parts .....   | 32,836    | 39,786            | 7,953                   | 8,527   | 9,016   | 8,977   | 9,907   | 10,363           | 10,539          | 7,977   | 8,425               | 8,833   | 9,167          | 9,925           | 10,317           | 10,377          |  |  |
| 110  | Nonelectric, including parts and attachments .....  | 237,390   | 283,037           | 58,257                  | 60,374  | 65,008  | 63,690  | 69,878  | 74,096           | 75,373          | 58,455  | 60,102              | 62,983  | 65,357         | 70,267          | 74,139           | 73,274          |  |  |
| 111  | Oil drilling, mining, and construction machinery .....  | 7,026     | 7,217             | 1,991                   | 1,573   | 1,561   | 1,840   | 2,051   | 1,722            | 1,604           | 1,802   | 1,658               | 1,686   | 1,782          | 1,876           | 1,825            | 1,734           |  |  |
| 112  | Industrial engines, pumps, and compressors .....  | 8,258     | 10,047            | 1,978                   | 2,076   | 2,289   | 2,522   | 2,562   | 2,446            | 2,517           | 1,941   | 2,105               | 2,295   | 2,484          | 2,520           | 2,517            | 2,526           |  |  |
| 113  | Machine tools and metalworking machinery .....  | 7,665     | 8,557             | 1,921                   | 1,863   | 1,947   | 1,998   | 2,247   | 2,059            | 2,253           | 1,861   | 1,909               | 1,917   | 2,021          | 2,179           | 2,113            | 2,244           |  |  |
| 114  | Measuring, testing, and control instruments .....   | 7,831     | 9,541             | 1,930                   | 1,985   | 2,097   | 2,189   | 2,302   | 2,458            | 2,592           | 1,938   | 1,996               | 2,067   | 2,179          | 2,310           | 2,491            | 2,561           |  |  |
| 115  | Other industrial, agricultural, and service industry machinery .....  | 45,849    | 51,263            | 11,556                  | 11,265  | 11,962  | 12,145  | 13,151  | 12,632           | 13,335          | 11,180  | 11,538              | 11,971  | 12,107         | 12,757          | 13,073           | 13,326          |  |  |
| 116  | Computers, peripherals, and parts .....   | 81,456    | 89,788            | 19,808                  | 21,091  | 22,265  | 19,894  | 21,709  | 24,379           | 23,806          | 20,512  | 20,509              | 20,949  | 20,976         | 22,495          | 23,761           | 22,556          |  |  |
| 117  | Semiconductors .....  | 37,628    | 48,333            | 9,215                   | 9,600   | 10,570  | 10,756  | 11,601  | 13,308           | 12,668          | 9,247   | 9,575               | 10,430  | 10,826         | 11,608          | 13,380           | 12,519          |  |  |
| 118  | Telecommunications equipment .....  | 23,939    | 37,999            | 5,619                   | 6,427   | 7,450   | 7,668   | 9,338   | 9,803            | 11,190          | 5,752   | 6,346               | 7,051   | 8,135          | 9,505           | 9,683            | 10,676          |  |  |
| 119  | Other office and business machines .....  | 6,398     | 6,144             | 1,511                   | 1,565   | 1,667   | 1,575   | 1,540   | 1,518            | 1,511           | 1,550   | 1,566               | 1,609   | 1,567          | 1,588           | 1,524            | 1,465           |  |  |
| 120  | Scientific, hospital, and medical equipment and parts .....   | 11,340    | 14,148            | 2,728                   | 2,929   | 3,200   | 3,103   | 3,377   | 3,771            | 3,897           | 2,762   | 2,900               | 3,008   | 3,280          | 3,429           | 3,772            | 3,667           |  |  |
| 121  | Transportation equipment, except automotive .....   | 26,886    | 29,410            | 6,526                   | 7,131   | 6,833   | 6,604   | 7,058   | 7,447            | 8,301           | 6,452   | 7,114               | 6,866   | 6,604          | 6,992           | 7,455            | 8,359           |  |  |
| 122  | Civilian aircraft, engines, parts .....   | 23,773    | 26,328            | 5,830                   | 6,407   | 5,988   | 5,803   | 6,283   | 6,675            | 7,567           | 5,755   | 6,390               | 6,022   | 5,802          | 6,217           | 6,684            | 7,625           |  |  |
| 123  | Civilian aircraft, complete, all types .....  | 9,217     | 12,372            | 2,150                   | 2,698   | 2,516   | 2,325   | 2,910   | 3,204            | 3,933           | 2,150   | 2,698               | 2,516   | 2,325          | 2,910           | 3,204            | 3,933           |  |  |
| 124  | Automotive vehicles, engines, and parts .....   | 179,392   | 196,266           | 44,606                  | 42,859  | 48,645  | 49,994  | 49,728  | 46,416           | 50,128          | 43,661  | 46,693              | 46,999  | 48,329         | 48,860          | 50,643           | 48,434          |  |  |
| 125  | From Canada .....   | 63,871    | 63,993            | 16,399                  | 14,461  | 16,563  | 17,853  | 16,661  | 13,960           | 15,519          | 15,481  | 16,664              | 16,327  | 16,540         | 15,830          | 16,165           | 15,458          |  |  |
| 126  | </  |           |                   |                         |         |         |         |         |                  |                 |         |                     |         |                |                 |                  |                 |  |  |

**Table 3.—Private Service Transactions**  
[Millions of dollars]

| Line |   | 1999           | 2000 <sup>a</sup> | Not seasonally adjusted |               |               |               |               |               |                  |                 | Seasonally adjusted |               |               |               |                |                 |                  |                 |
|------|---|----------------|-------------------|-------------------------|---------------|---------------|---------------|---------------|---------------|------------------|-----------------|---------------------|---------------|---------------|---------------|----------------|-----------------|------------------|-----------------|
|      |   |                |                   | 1999                    |               |               |               | 2000          |               |                  |                 | 1999                |               |               |               | 2000           |                 |                  |                 |
|      |   |                |                   | I                       | II            | III           | IV            | I             | II            | III <sup>c</sup> | IV <sup>c</sup> | I                   | II            | III           | IV            | I <sup>c</sup> | II <sup>c</sup> | III <sup>c</sup> | IV <sup>c</sup> |
| 1    | <b>Exports of private services .....</b>                      | <b>254,665</b> | <b>280,761</b>    | <b>59,834</b>           | <b>61,353</b> | <b>68,119</b> | <b>65,359</b> | <b>66,078</b> | <b>68,403</b> | <b>75,387</b>    | <b>70,893</b>   | <b>61,929</b>       | <b>63,070</b> | <b>63,905</b> | <b>65,759</b> | <b>68,499</b>  | <b>70,300</b>   | <b>70,645</b>    | <b>71,314</b>   |
| 2    | Travel (table 1, line 6) .....                                | 74,881         | 85,153            | 15,784                  | 18,569        | 21,908        | 18,620        | 17,783        | 21,365        | 25,112           | 20,893          | 18,140              | 18,564        | 18,695        | 19,482        | 20,466         | 21,398          | 21,445           | 21,844          |
| 3    | Passenger fares (table 1, line 7) .....                       | 19,776         | 21,313            | 4,466                   | 4,756         | 5,760         | 4,794         | 4,697         | 5,231         | 6,099            | 5,286           | 4,814               | 4,902         | 5,105         | 4,955         | 5,067          | 5,392           | 5,400            | 5,454           |
| 4    | Other transportation (table 1, line 8) .....                  | 27,033         | 29,847            | 6,205                   | 6,693         | 7,079         | 7,056         | 6,920         | 7,440         | 8,011            | 7,476           | 6,515               | 6,692         | 6,728         | 7,097         | 7,255          | 7,438           | 7,635            | 7,519           |
| 5    | Freight .....   | 11,667         | 13,297            | 2,737                   | 2,839         | 2,903         | 3,188         | 3,201         | 3,332         | 3,354            | 3,410           | 2,785               | 2,813         | 2,927         | 3,142         | 3,257          | 3,299           | 3,384            | 3,357           |
| 6    | Port services .....   | 15,365         | 16,550            | 3,468                   | 3,854         | 4,175         | 3,868         | 3,719         | 4,106         | 4,657            | 4,066           | 3,730               | 3,880         | 3,801         | 3,956         | 3,999          | 4,139           | 4,252            | 4,163           |
| 7    | Royalties and license fees (table 1, line 9) .....            | 36,467         | 37,955            | 8,861                   | 8,889         | 9,007         | 9,710         | 9,088         | 9,278         | 9,318            | 10,271          | 9,114               | 9,140         | 9,106         | 9,107         | 9,348          | 9,577           | 9,424            | 9,605           |
| 8    | Affiliated .....  | 26,307         | 26,899            | 6,402                   | 6,377         | 6,441         | 7,087         | 6,409         | 6,543         | 6,525            | 7,422           | 6,655               | 6,628         | 6,540         | 6,484         | 6,669          | 6,842           | 6,631            | 6,736           |
| 9    | U.S. parents' receipts .....                                  | 24,576         | 24,780            | 5,941                   | 5,955         | 5,999         | 6,681         | 5,948         | 6,096         | 6,005            | 6,731           | 6,127               | 6,114         | 6,097         | 6,238         | 6,135          | 6,253           | 6,105            | 6,287           |
| 10   | U.S. affiliates' receipts .....                               | 1,731          | 2,119             | 461                     | 422           | 442           | 406           | 461           | 447           | 520              | 691             | 528                 | 514           | 443           | 246           | 534            | 589             | 526              | 469             |
| 11   | Unaffiliated .....  | 10,160         | 11,056            | 2,459                   | 2,512         | 2,566         | 2,623         | 2,679         | 2,735         | 2,793            | 2,849           | 2,459               | 2,512         | 2,566         | 2,623         | 2,679          | 2,735           | 2,793            | 2,849           |
| 12   | Industrial processes <sup>1</sup> .....                       | 3,551          | 3,547             | 891                     | 888           | 886           | 886           | 886           | 886           | 887              | 888             | 891                 | 888           | 886           | 886           | 886            | 886             | 887              | 888             |
| 13   | Other <sup>2</sup> .....                                      | 6,609          | 7,507             | 1,568                   | 1,624         | 1,680         | 1,737         | 1,793         | 1,848         | 1,905            | 1,960           | 1,568               | 1,624         | 1,680         | 1,737         | 1,793          | 1,848           | 1,905            | 1,960           |
| 14   | Other private services (table 1, line 10) ...                 | 96,508         | 106,493           | 24,518                  | 22,446        | 24,365        | 25,179        | 27,590        | 25,089        | 26,847           | 26,967          | 23,346              | 23,772        | 24,271        | 25,118        | 26,363         | 26,495          | 26,741           | 26,892          |
| 15   | Affiliated services .....                                     | 28,943         | 31,659            | 7,089                   | 6,810         | 6,995         | 8,049         | 7,763         | 7,612         | 7,730            | 8,554           | 7,351               | 6,937         | 7,127         | 7,527         | 8,061          | 7,750           | 7,862            | 7,984           |
| 16   | U.S. parents' receipts .....                                  | 18,111         | 18,608            | 4,399                   | 4,309         | 4,423         | 4,980         | 4,421         | 4,664         | 4,503            | 5,020           | 4,512               | 4,336         | 4,569         | 4,693         | 4,537          | 4,690           | 4,655            | 4,725           |
| 17   | U.S. affiliates' receipts .....                               | 10,832         | 13,051            | 2,690                   | 2,501         | 2,572         | 3,069         | 3,342         | 2,948         | 3,227            | 3,534           | 2,839               | 2,601         | 2,558         | 2,834         | 3,524          | 3,060           | 3,207            | 3,259           |
| 18   | Unaffiliated services .....                                   | 67,565         | 74,834            | 17,429                  | 15,636        | 17,370        | 17,130        | 19,827        | 17,477        | 19,117           | 18,413          | 15,995              | 16,835        | 17,144        | 17,591        | 18,302         | 18,745          | 18,879           | 18,908          |
| 19   | Education .....   | 9,572          | 10,116            | 3,672                   | 1,208         | 2,563         | 1,930         | 4,093         | 1,272         | 2,715            | 2,036           | 2,343               | 2,377         | 2,417         | 2,435         | 2,475          | 2,509           | 2,557            | 2,575           |
| 20   | Financial services .....                                      | 13,925         | 17,851            | 2,901                   | 3,496         | 3,613         | 3,915         | 4,389         | 4,656         | 4,499            | 4,307           | 2,901               | 3,496         | 3,613         | 3,915         | 4,389          | 4,656           | 4,499            | 4,307           |
| 21   | Insurance, net .....  | 2,295          | 2,680             | 553                     | 563           | 579           | 599           | 625           | 651           | 678              | 705             | 500                 | 553           | 563           | 579           | 599            | 625             | 651              | 678             |
| 22   | Premiums received .....                                       | 8,259          | 8,961             | 1,991                   | 2,043         | 2,091         | 2,135         | 2,178         | 2,220         | 2,261            | 2,302           | 1,991               | 2,043         | 2,091         | 2,135         | 2,178          | 2,220           | 2,261            | 2,302           |
| 23   | Losses paid .....   | 5,964          | 6,302             | 1,437                   | 1,480         | 1,512         | 1,536         | 1,553         | 1,568         | 1,583            | 1,597           | 1,437               | 1,480         | 1,512         | 1,536         | 1,553          | 1,568           | 1,583            | 1,597           |
| 24   | Telecommunications .....                                      | 4,460          | 3,882             | 1,162                   | 1,152         | 1,099         | 1,048         | 1,015         | 972           | 962              | 933             | 1,162               | 1,152         | 1,099         | 1,048         | 1,015          | 972             | 962              | 933             |
| 25   | Business, professional, and technical services .....          | 24,368         | 26,354            | 5,871                   | 6,055         | 6,172         | 6,269         | 6,378         | 6,507         | 6,674            | 6,795           | 5,871               | 6,055         | 6,172         | 6,269         | 6,378          | 6,507           | 6,674            | 6,795           |
| 26   | Other unaffiliated services <sup>3</sup> .....                | 12,946         | 13,972            | 3,070                   | 3,163         | 3,444         | 3,369         | 3,327         | 3,418         | 3,589            | 3,638           | 3,165               | 3,192         | 3,264         | 3,325         | 3,420          | 3,449           | 3,509            | 3,594           |
| 27   | <b>Imports of private services .....</b>                      | <b>174,825</b> | <b>198,476</b>    | <b>38,454</b>           | <b>44,613</b> | <b>48,056</b> | <b>43,702</b> | <b>43,488</b> | <b>50,130</b> | <b>55,524</b>    | <b>49,334</b>   | <b>42,041</b>       | <b>43,122</b> | <b>44,096</b> | <b>45,567</b> | <b>47,461</b>  | <b>48,378</b>   | <b>51,212</b>    | <b>51,430</b>   |
| 28   | Travel (table 1, line 23) .....                               | 59,351         | 65,044            | 12,242                  | 15,945        | 18,017        | 13,147        | 13,313        | 17,404        | 19,791           | 14,536          | 14,560              | 14,718        | 14,799        | 15,274        | 15,815         | 16,022          | 16,338           | 16,869          |
| 29   | Passenger fares (table 1, line 24) .....                      | 21,405         | 23,902            | 4,771                   | 5,655         | 5,964         | 5,015         | 5,258         | 6,381         | 6,647            | 5,616           | 5,215               | 5,274         | 5,348         | 5,568         | 5,767          | 5,934           | 5,966            | 6,235           |
| 30   | Other transportation (table 1, line 25) .....                 | 34,137         | 40,713            | 7,493                   | 8,218         | 9,185         | 9,241         | 9,227         | 9,957         | 10,835           | 10,694          | 7,784               | 8,187         | 8,953         | 9,214         | 9,586          | 9,904           | 10,554           | 10,671          |
| 31   | Freight .....   | 22,214         | 26,915            | 4,790                   | 5,348         | 6,053         | 6,023         | 6,015         | 6,527         | 7,240            | 7,133           | 4,977               | 5,273         | 5,915         | 6,049         | 6,252          | 6,421           | 7,067            | 7,175           |
| 32   | Port services .....   | 11,925         | 13,798            | 2,704                   | 2,871         | 3,132         | 3,212         | 3,212         | 3,630         | 3,595            | 3,561           | 2,808               | 2,914         | 3,038         | 3,165         | 3,334          | 3,483           | 3,487            | 3,496           |
| 33   | Royalties and license fees (table 1, line 26) .....           | 13,275         | 16,331            | 3,021                   | 3,150         | 3,223         | 3,881         | 3,528         | 3,591         | 4,712            | 4,500           | 3,081               | 3,224         | 3,314         | 3,656         | 3,598          | 3,669           | 4,833            | 4,230           |
| 34   | Affiliated .....  | 10,208         | 12,213            | 2,302                   | 2,396         | 2,439         | 3,071         | 2,699         | 2,746         | 3,181            | 3,587           | 2,362               | 2,470         | 2,530         | 2,846         | 2,769          | 2,824           | 3,302            | 3,317           |
| 35   | U.S. parents' payments .....                                  | 2,134          | 2,600             | 500                     | 508           | 536           | 590           | 621           | 629           | 673              | 677             | 500                 | 508           | 536           | 590           | 621            | 629             | 673              | 677             |
| 36   | U.S. affiliates' payments .....                               | 8,074          | 9,613             | 1,802                   | 1,888         | 1,903         | 2,481         | 2,078         | 2,117         | 2,508            | 2,910           | 1,862               | 1,962         | 1,994         | 2,256         | 2,148          | 2,195           | 2,629            | 2,640           |
| 37   | Unaffiliated .....  | 3,067          | 4,118             | 719                     | 754           | 784           | 810           | 829           | 845           | 1,531            | 913             | 719                 | 754           | 784           | 810           | 829            | 845             | 1,531            | 913             |
| 38   | Industrial processes <sup>1</sup> .....                       | 1,883          | 2,127             | 436                     | 461           | 483           | 502           | 515           | 527           | 537              | 547             | 436                 | 461           | 483           | 502           | 515            | 527             | 537              | 547             |
| 39   | Other <sup>2</sup> .....                                      | 1,185          | 1,991             | 283                     | 293           | 301           | 308           | 314           | 318           | 993              | 366             | 283                 | 293           | 301           | 308           | 314            | 318             | 993              | 366             |
| 40   | Other private services (table 1, line 27) ...                 | 46,657         | 52,486            | 10,927                  | 11,645        | 11,667        | 12,418        | 12,162        | 12,797        | 13,539           | 13,988          | 11,401              | 11,719        | 11,682        | 11,855        | 12,695         | 12,849          | 13,521           | 13,425          |
| 41   | Affiliated services .....                                     | 22,437         | 24,005            | 4,873                   | 5,630         | 5,543         | 6,391         | 5,731         | 5,938         | 5,943            | 6,393           | 5,262               | 5,703         | 5,677         | 5,795         | 6,165          | 5,990           | 6,065            | 5,789           |
| 42   | U.S. parents' payments .....                                  | 11,427         | 11,290            | 2,477                   | 2,817         | 2,903         | 3,330         | 2,818         | 2,790         | 2,709            | 2,973           | 2,761               | 2,852         | 2,873         | 2,941         | 3,121          | 2,804           | 2,759            | 2,608           |
| 43   | U.S. affiliates' payments .....                               | 11,010         | 12,715            | 2,396                   | 2,813         | 2,740         | 3,061         | 2,913         | 3,148         | 3,234            | 3,420           | 2,501               | 2,851         | 2,804         | 2,854         | 3,044          | 3,186           | 3,306            | 3,181           |
| 44   | Unaffiliated services .....                                   | 24,220         | 28,481            | 6,054                   | 6,015         | 6,124         | 6,027         | 6,431         | 6,859         | 7,596            | 7,595           | 6,139               | 6,016         | 6,005         | 6,060         | 6,530          | 6,859           | 7,456            | 7,636           |
| 45   | Education .....   | 1,840          | 2,136             | 347                     | 452           | 588           | 453           | 403           | 524           | 683              | 526             | 432                 | 453           | 469           | 486           | 502            | 524             | 543              | 567             |
| 46   | Financial services .....                                      | 3,574          | 5,071             | 767                     | 845           | 985           | 977           | 1,188         | 1,290         | 1,382            | 1,211           | 767                 | 845           | 985           | 977           | 1,188          | 1,290           | 1,382            | 1,211           |
| 47   | Insurance, net .....  | 4,078          | 6,609             | 1,233                   | 988           | 884           | 972           | 1,182         | 1,408         | 1,851            | 2,168           | 1,233               | 988           | 884           | 972           | 1,182          | 1,408           | 1,851            | 2,168           |
| 48   | Premiums paid .....   | 21,242         | 22,076            | 5,348                   | 5,308         | 5,284         | 5,301         | 5,367         | 5,461         | 5,568            | 5,680           | 5,348               | 5,308         | 5,284         | 5,301         | 5,367          | 5,461           | 5,568            | 5,680           |
| 49   | Losses recovered .....  | 17,164         | 15,467            | 4,115                   | 4,320         | 4,400         | 4,329         | 4,185         | 4,053         | 3,717            | 3,512           | 4,115               | 4,320         | 4,400         | 4,329         | 4,185          | 4,053           | 3,717            | 3,512           |
| 50   | Telecommunications .....                                      | 6,766          | 6,025             | 1,779                   | 1,759         | 1,658         | 1,571         | 1,565         | 1,500         | 1,498            | 1,462           | 1,779               | 1,759         | 1,658         | 1,571         | 1,565          | 1,500           | 1,498            | 1,462           |
| 51   | Business, professional, and technical services .....          | 7,430          | 8,067             | 1,807                   | 1,840         | 1,873         | 1,911         | 1,949         | 1,993         | 2,040            | 2,085           | 1,807               | 1,840         | 1,873         | 1,911         | 1,949          | 1,993           | 2,040            | 2,085           |
| 52   | Other unaffiliated services <sup>3</sup> .....                | 532            | 575               | 121                     | 132           | 136           | 143           | 145           | 145           | 142              | 143             | 121                 | 132           | 136           | 143           | 145            | 145             | 142              | 143             |
| 53   | <b>Memoranda:</b>   |                |                   |                         |               |               |               |               |               |                  |                 |                     |               |               |               |                |                 |                  |                 |
| 54   | Balance on goods (table 1, line 71) .....                     | -345,559       | -449,468          | -66,774                 | -81,307       | -101,676      | -95,802       | -99,892       | -107,433      | -123,762         | -118,381        | -73,024             | -83,984       | -92,318       | -96,233       | -106,040       | -110,434        | -114,738         | -118,256        |
| 55   | Balance on private services (line 1 minus line 7) .....       | 79,840         | 82,285            | 21,380                  | 16,740        | 20,063        | 21,657        | 22,590        | 18,273        | 19,863           | 21,559          | 19,888              | 19,948        | 19,809        | 20,192        | 21,038         | 21,922          | 19,433           | 19,884          |
| 55   | Balance on goods and private services (lines 53 and 54) ..... | -265,719       | -367,183          | -45,394                 | -64,567       | -81,613       | -74,145       | -77,302       | -89,160       | -103,899         | -96,822         | -53,136             | -64,036       | -72,509       | -76,041       | -85,002        | -88,512         | -95,305          | -98,372         |

See footnotes on page 68.

**Table 4.—Selected U.S. Government Transactions**  
[Millions of dollars]

| Line |  | 1999             | 2000 <sup>P</sup> | Not seasonally adjusted |                  |                  |                  |                  |                  |                  |                  |
|------|--|------------------|-------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|      |  |                  |                   | 1999                    |                  |                  |                  | 2000             |                  |                  |                  |
|      |  |                  |                   | I                       | II               | III              | IV               | I                | II               | III <sup>r</sup> | IV <sup>P</sup>  |
| A1   | <b>U.S. Government grants and transactions increasing Government assets, total</b>   | <b>20,651</b>    | <b>21,256</b>     | <b>4,019</b>            | <b>5,379</b>     | <b>4,564</b>     | <b>6,689</b>     | <b>4,375</b>     | <b>4,531</b>     | <b>4,803</b>     | <b>7,547</b>     |
|      | <b>By category</b>   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 2    | Grants, net  | 13,842           | 16,477            | 2,582                   | 3,100            | 2,852            | 5,307            | 2,916            | 3,237            | 3,652            | 6,671            |
| 3    | U.S. Government current grants, net (table 1, line 36, with signs reversed)  | 13,774           | 16,448            | 2,574                   | 3,097            | 2,847            | 5,256            | 2,912            | 3,232            | 3,634            | 6,670            |
| 4    | Financing military purchases <sup>1</sup>  | 3,911            | 6,758             | 506                     | 662              | 630              | 2,113            | 1,026            | 718              | 1,248            | 3,766            |
| 5    | Other grants   | 9,862            | 9,689             | 2,068                   | 2,434            | 2,217            | 3,143            | 1,886            | 2,514            | 2,386            | 2,904            |
| 6    | Cash contributions received from coalition partners for Persian Gulf operations  |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 7    | Debt forgiveness (table 1, part of Line 39, with sign reversed)  | 69               | 29                | 9                       | 3                | 6                | 51               | 5                | 5                | 18               | 1                |
| 8    | Credits and other long-term assets (table 1, line 47, with sign reversed)  | 6,175            | 4,887             | 1,314                   | 2,167            | 1,595            | 1,099            | 1,750            | 1,235            | 1,050            | 852              |
| 9    | Capital subscriptions and contributions to international financial institutions, excluding IMF   | 1,451            | 1,500             | 394                     | 456              | 329              | 272              | 343              | 410              | 335              | 412              |
| 10   | Credits repayable in U.S. dollars  | 3,999            | 3,387             | 736                     | 1,544            | 1,094            | 626              | 1,407            | 825              | 715              | 440              |
| 11   | Credits repayable in other than U.S. dollars   | -3               |                   | -6                      | 1                | 2                | 1                |                  |                  |                  |                  |
| 12   | Other long-term assets   | 728              |                   | 191                     | 167              | 170              | 201              |                  |                  |                  |                  |
| 13   | Foreign currency holdings and short-term assets, net (table 1, line 49 with sign reversed)   | 634              | -108              | 122                     | 112              | 117              | 283              | -291             | 59               | 101              | 23               |
| 14   | Foreign currency holdings (excluding administrative cash holdings), net  | -24              | 3                 | 7                       | -38              | 4                | 2                | 4                | -1               |                  |                  |
|      | Receipts from:   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 15   | Sales of agricultural commodities  | ( <sup>1</sup> ) |                   | ( <sup>1</sup> )        |                  |                  |                  |                  |                  |                  |                  |
| 16   | Interest   | 2                |                   | 1                       | 1                | ( <sup>1</sup> ) | ( <sup>1</sup> ) |                  |                  |                  |                  |
| 17   | Repayments of principal  | 15               | 4                 | 8                       | 2                | 2                | 3                | 4                |                  |                  |                  |
| 18   | Reverse grants   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 19   | Other sources  |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
|      | Less currencies disbursed for:   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 20   | Grants and credits in the recipient's currency   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 21   | Other grants and credits   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 22   | Other U.S. Government expenditures   | 42               | 1                 | 2                       | 41               | -2               | 1                |                  | 1                |                  |                  |
| 23   | Assets acquired in performance of U.S. Government guarantee and insurance obligations, net   | 328              | -39               | 19                      | 139              | 96               | 74               | -218             | 40               | 115              | 24               |
| 24   | Other assets held under Commodity Credit Corporation Charter Act, net  | ( <sup>1</sup> ) | ( <sup>1</sup> )  | ( <sup>1</sup> )        | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) |
| 25   | Assets financing military sales contracts, net <sup>2</sup>  |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 26   | Other short-term assets (including changes in administrative cash holdings), net   | 330              | -72               | 96                      | 11               | 17               | 206              | -78              | 21               | -14              | -1               |
|      | <b>By program</b>  |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 27   | Capital subscriptions and contributions to international financial institutions, excluding IMF   | 1,451            | 1,500             | 394                     | 456              | 329              | 272              | 343              | 410              | 335              | 412              |
| 28   | Under Agricultural Trade Development and Assistance Act and related programs   | 2,003            | 1,543             | 497                     | 571              | 502              | 432              | 507              | 374              | 343              | 319              |
| 29   | Under Foreign Assistance Act and related programs  | 11,575           | 15,251            | 1,964                   | 2,458            | 2,496            | 4,657            | 2,769            | 2,756            | 3,557            | 6,170            |
| 30   | Under Export-Import Bank Act   | 1,636            | 1,487             | 192                     | 269              | 750              | 425              | 562              | 246              | 321              | 358              |
| 31   | Under Commodity Credit Corporation Charter Act   | 1,806            | 436               | 467                     | 1,204            | 80               | 55               | 44               | 355              | 27               | 11               |
| 32   | Under other grant and credit programs  | 1,147            | 1,108             | 211                     | 282              | 215              | 439              | 224              | 372              | 234              | 278              |
| 33   | Other foreign currency assets acquired (lines A16, A17, and A19)   | 18               | 4                 | 10                      | 3                | 2                | 3                | 4                |                  |                  |                  |
| 34   | Less foreign currencies used by U.S. Government other than for grants or credits (line A22)  | 42               | 1                 | 2                       | 41               | -2               | 1                |                  | 1                |                  |                  |
| 35   | Other (including changes in administrative cash holdings), net   | 1,058            | -72               | 287                     | 178              | 186              | 407              | -78              | 21               | -14              | -1               |
|      | <b>By disposition<sup>3</sup></b>  |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 36   | Estimated transactions involving no direct dollar outflow from the United States   | 13,705           | 16,163            | 2,581                   | 3,803            | 3,220            | 4,101            | 3,354            | 3,067            | 3,618            | 6,125            |
| 37   | Expenditures on U.S. merchandise   | 5,655            | 7,989             | 818                     | 992              | 1,504            | 2,342            | 1,262            | 878              | 1,575            | 4,275            |
| 38   | Expenditures on U.S. services <sup>4</sup>   | 3,203            | 4,318             | 727                     | 874              | 831              | 771              | 1,007            | 1,245            | 919              | 1,147            |
| 39   | Financing of military sales contracts by U.S. Government <sup>5</sup> (line C6)  | 2,644            | 3,117             | 527                     | 648              | 776              | 693              | 757              | 716              | 968              | 676              |
| 40   | By long-term credits   | 264              | 422               | 48                      | 24               | 182              | 9                | 67               | 34               | 295              | 27               |
| 41   | By short-term credits <sup>1</sup>   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 42   | By grants <sup>1</sup>   | 2,380            | 2,695             | 478                     | 624              | 594              | 683              | 690              | 683              | 673              | 650              |
| 43   | U.S. Government grants and credits to repay prior U.S. Government credits <sup>1,4</sup>   | 1,858            | 484               | 493                     | 1,191            | 11               | 164              | 282              | 157              | 42               | 3                |
| 44   | U.S. Government long- and short-term credits to repay prior U.S. private credits <sup>6</sup> and other assets   | 407              | 312               | 20                      | 142              | 110              | 135              | 47               | 111              | 126              | 27               |
| 45   | Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) <sup>7</sup> (line C11)  | ( <sup>1</sup> ) | ( <sup>1</sup> )  | ( <sup>1</sup> )        | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) |
| 46   | Less receipts on short-term U.S. Government assets (a) financing military sales contracts <sup>1</sup> (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. merchandise | 20               | 56                | 1                       | 3                | 13               | 3                | 1                | 40               | 12               | 3                |
| 47   | Less foreign currencies used by U.S. Government other than for grants or credits (line A22)  | 42               | 1                 | 2                       | 41               | -2               | 1                |                  | 1                |                  |                  |
| 48   | Estimated dollar payments to foreign countries and international financial institutions  | 6,946            | 5,093             | 1,438                   | 1,576            | 1,344            | 2,588            | 1,021            | 1,465            | 1,185            | 1,422            |
| B1   | <b>Repayments on U.S. Government long-term assets, total (table 1, line 48)</b>  | <b>9,560</b>     | <b>4,064</b>      | <b>1,554</b>            | <b>1,887</b>     | <b>1,026</b>     | <b>5,093</b>     | <b>1,328</b>     | <b>720</b>       | <b>1,265</b>     | <b>751</b>       |
| 2    | Receipts of principal on U.S. Government credits   | 4,862            | 4,056             | 1,359                   | 1,701            | 848              | 955              | 1,328            | 720              | 1,257            | 751              |
| 3    | Under Agricultural Trade Development and Assistance Act and related programs   | 366              | 512               | 52                      | 31               | 106              | 178              | 174              | 25               | 124              | 189              |
| 4    | Under Foreign Assistance Act and related programs  | 1,672            | 1,984             | 574                     | 370              | 475              | 253              | 715              | 380              | 586              | 304              |
| 5    | Under Export-Import Bank Act   | 1,066            | 1,243             | 252                     | 208              | 233              | 372              | 384              | 266              | 498              | 95               |
| 6    | Under Commodity Credit Corporation Charter Act   | 1,604            | 175               | 473                     | 1,089            | 26               | 16               | 48               | 49               | 49               | 30               |
| 7    | Under other credit programs  | 155              | 142               | 8                       | 3                | 8                | 136              | 8                | ( <sup>1</sup> ) | ( <sup>1</sup> ) | 134              |
| 8    | Receipts on other long-term assets   | 4,697            | 8                 | 196                     | 186              | 178              | 4,138            |                  |                  | 8                | ( <sup>1</sup> ) |
| C1   | <b>U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 60)</b>   | <b>-3,255</b>    | <b>-2,540</b>     | <b>-1,485</b>           | <b>-1,099</b>    | <b>-760</b>      | <b>89</b>        | <b>-644</b>      | <b>-781</b>      | <b>-620</b>      | <b>-495</b>      |
| 2    | Associated with military sales contracts <sup>2</sup>  | -3,248           | -2,522            | -1,482                  | -1,099           | -758             | 91               | -640             | -771             | -613             | -498             |
| 3    | U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds <sup>1</sup>   | 10,442           | 10,934            | 1,730                   | 1,917            | 2,860            | 3,936            | 2,111            | 2,178            | 2,425            | 4,220            |
| 4    | Less U.S. Government receipts from principal repayments  | 748              | 634               | 289                     | 84               | 278              | 97               | 174              | 73               | 296              | 91               |
| 5    | Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States  | -748             | 1,335             | -791                    | -981             | 171              | 852              | -241             | -106             |                  | 1,682            |
| 6    | Plus financing of military sales contracts by U.S. Government <sup>5</sup> (line A39)  | 2,644            | 3,117             | 527                     | 648              | 776              | 693              | 757              | 716              | 968              | 676              |
| 7    | By long-term credits   | 264              | 422               | 48                      | 24               | 182              | 9                | 67               | 34               | 295              | 27               |
| 8    | By short-term credits <sup>1</sup>   |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 9    | By grants <sup>1</sup>   | 2,380            | 2,695             | 478                     | 624              | 594              | 683              | 690              | 683              | 673              | 650              |
| 10   | Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) <sup>1,2</sup> (table 1, line 5)  | 16,334           | 14,604            | 4,240                   | 4,561            | 3,944            | 3,589            | 3,574            | 3,699            | 3,710            | 3,621            |
| 11   | Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) <sup>7</sup> (line A45)  | ( <sup>1</sup> ) | ( <sup>1</sup> )  | ( <sup>1</sup> )        | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) |
| 12   | Associated with other liabilities  | -6               | -19               | -3                      | 1                | -2               | -2               | -5               | -10              | -7               | 3                |
| 13   | Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation  |                  |                   |                         |                  |                  |                  |                  |                  |                  |                  |
| 14   | Sales of space launch and other services by National Aeronautics and Space Administration  | -7               | -8                | -3                      | -2               | -1               | -1               |                  | -3               | -5               |                  |
| 15   | Other sales and miscellaneous operations   | 1                | -12               |                         | 2                | -1               | -1               | -5               | -7               | -2               | 3                |

See footnotes on page 68.

Table 5.—Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services

(Millions of dollars)

| Line   | (Credits +; debits -)  | Not seasonally adjusted |                   |         |         |         |         |         |         |                  |                 |         |         |         |         |                |                 | Seasonally adjusted |                 |  |  |  |  |  |  |
|--|--|-------------------------|-------------------|---------|---------|---------|---------|---------|---------|------------------|-----------------|---------|---------|---------|---------|----------------|-----------------|---------------------|-----------------|--|--|--|--|--|--|
|  |  | 1999                    | 2000 <sup>P</sup> | 1999    |         |         |         | 2000    |         |                  |                 | 1999    |         |         |         | 2000           |                 |                     |                 |  |  |  |  |  |  |
|  |  |                         |                   | I       | II      | III     | IV      | I       | II      | III <sup>P</sup> | IV <sup>P</sup> | I       | II      | III     | IV      | I <sup>P</sup> | II <sup>P</sup> | III <sup>P</sup>    | IV <sup>P</sup> |  |  |  |  |  |  |
| <b>U.S. direct investment abroad:</b>                  |  |                         |                   |         |         |         |         |         |         |                  |                 |         |         |         |         |                |                 |                     |                 |  |  |  |  |  |  |
| 1  | Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 14) .....            | 118,802                 | 149,459           | 27,284  | 29,228  | 31,246  | 31,044  | 34,734  | 38,252  | 37,639           | 38,834          | 26,946  | 28,804  | 31,361  | 31,691  | 34,053         | 37,835          | 37,857              | 39,716          |  |  |  |  |  |  |
| 2  | Earnings .....   | 115,132                 | 145,773           | 26,370  | 28,350  | 30,296  | 30,116  | 33,897  | 37,304  | 36,677           | 37,895          | 26,031  | 27,926  | 30,411  | 30,763  | 33,217         | 36,887          | 36,895              | 38,777          |  |  |  |  |  |  |
| 3  | Distributed earnings .....   | 45,492                  | 45,495            | 10,809  | 8,830   | 10,348  | 15,505  | 8,139   | 10,320  | 9,815            | 17,221          | 13,542  | 10,311  | 11,811  | 9,825   | 10,295         | 12,412          | 11,534              | 11,261          |  |  |  |  |  |  |
| 4  | Reinvested earnings .....  | 69,640                  | 100,277           | 15,561  | 19,520  | 19,948  | 14,611  | 25,758  | 26,984  | 26,862           | 20,673          | 12,489  | 17,615  | 18,600  | 20,938  | 22,922         | 24,475          | 25,361              | 27,516          |  |  |  |  |  |  |
| 5  | Interest <sup>1</sup> .....  | 3,670                   | 3,685             | 914     | 878     | 950     | 928     | 836     | 948     | 962              | 939             | 915     | 878     | 950     | 928     | 836            | 948             | 962                 | 939             |  |  |  |  |  |  |
| 6  | U.S. parents' receipts .....   | 6,527                   | 7,200             | 1,567   | 1,550   | 1,660   | 1,750   | 1,625   | 1,766   | 1,897            | 1,912           | 1,567   | 1,550   | 1,660   | 1,750   | 1,625          | 1,766           | 1,897               | 1,912           |  |  |  |  |  |  |
| 7  | U.S. parents' payments .....   | -2,856                  | -3,513            | -652    | -672    | -710    | -822    | -788    | -818    | -934             | -973            | -652    | -672    | -710    | -822    | -788           | -818            | -934                | -973            |  |  |  |  |  |  |
| 8  | Less: Current-cost adjustment .....  | 12,390                  | 13,524            | 3,030   | 3,068   | 3,116   | 3,176   | 3,247   | 3,329   | 3,422            | 3,526           | 3,030   | 3,068   | 3,116   | 3,176   | 3,247          | 3,329           | 3,422               | 3,526           |  |  |  |  |  |  |
| 9  | Less: Withholding taxes .....  | 1,411                   | 1,339             | 351     | 280     | 324     | 456     | 303     | 319     | 254              | 463             | 428     | 325     | 346     | 311     | 364            | 375             | 273                 | 329             |  |  |  |  |  |  |
| 10   | <b>Equals:</b> Income without current-cost adjustment, after deduction of withholding taxes <sup>2</sup> ..... | 105,001                 | 134,596           | 23,903  | 25,880  | 27,806  | 27,412  | 31,184  | 34,604  | 33,963           | 34,845          | 23,487  | 25,411  | 27,899  | 28,204  | 30,441         | 34,131          | 34,163              | 35,860          |  |  |  |  |  |  |
| 11   | Petroleum .....  | 10,213                  | 18,996            | 1,824   | 2,127   | 2,868   | 3,394   | 4,046   | 4,338   | 4,984            | 5,628           | 1,585   | 2,147   | 2,957   | 3,524   | 3,542          | 4,420           | 5,167               | 5,868           |  |  |  |  |  |  |
| 12   | Manufacturing .....  | 32,472                  | 38,460            | 7,239   | 8,455   | 8,710   | 8,068   | 9,591   | 10,134  | 9,884            | 8,851           | 7,062   | 7,966   | 8,714   | 8,730   | 9,353          | 9,578           | 9,901               | 9,627           |  |  |  |  |  |  |
| 13   | Other .....  | 62,316                  | 77,139            | 14,840  | 15,298  | 16,228  | 15,950  | 17,546  | 20,133  | 19,095           | 20,365          | 14,840  | 15,298  | 16,228  | 15,950  | 17,546         | 20,133          | 19,095              | 20,365          |  |  |  |  |  |  |
| 14   | Capital with current-cost adjustment (table 1, line 51) .....  | -150,901                | -161,577          | -44,184 | -34,864 | -44,900 | -26,953 | -45,788 | -39,985 | -37,676          | -38,128         | -41,112 | -32,958 | -43,552 | -33,280 | -42,952        | -37,476         | -36,175             | -44,971         |  |  |  |  |  |  |
| 15   | Equity capital .....   | -52,093                 | -56,333           | -15,470 | -8,580  | -21,452 | -6,591  | -9,403  | -13,812 | -12,309          | -20,809         | -15,470 | -8,580  | -21,452 | -6,591  | -9,403         | -13,812         | -12,309             | -20,809         |  |  |  |  |  |  |
| 16   | Increases in equity capital <sup>3</sup> .....   | -80,733                 | -76,480           | -18,667 | -20,294 | -24,956 | -16,816 | -12,506 | -18,867 | -18,086          | -27,021         | -18,667 | -20,294 | -24,956 | -16,816 | -12,506        | -18,867         | -18,086             | -27,021         |  |  |  |  |  |  |
| 17   | Decreases in equity capital <sup>4</sup> .....   | 28,640                  | 20,146            | 3,197   | 11,714  | 3,504   | 10,225  | 3,103   | 5,054   | 5,776            | 6,213           | 3,197   | 11,714  | 3,504   | 10,225  | 3,103          | 5,054           | 5,776               | 6,213           |  |  |  |  |  |  |
| 18   | Reinvested earnings .....  | -69,640                 | -100,277          | -15,561 | -19,520 | -19,948 | -14,611 | -25,758 | -26,984 | -26,862          | -20,673         | -12,489 | -17,615 | -18,600 | -20,938 | -22,922        | -24,475         | -25,361             | -27,516         |  |  |  |  |  |  |
| 19   | Intercompany debt .....  | -29,167                 | -4,967            | -13,153 | -6,763  | -3,500  | -5,751  | -10,627 | 811     | 1,495            | 3,354           | -13,153 | -6,763  | -3,500  | -5,751  | -10,627        | 811             | 1,495               | 3,354           |  |  |  |  |  |  |
| 20   | U.S. parents' receivables .....  | -38,025                 | -18,251           | -11,652 | -9,333  | -8,152  | -8,888  | -12,937 | -857    | -3,455           | -1,002          | -11,652 | -9,333  | -8,152  | -8,888  | -12,937        | -857            | -3,455              | -1,002          |  |  |  |  |  |  |
| 21   | U.S. parents' payables .....   | 8,858                   | 13,285            | -1,501  | 2,570   | 4,652   | 3,137   | 2,310   | 1,669   | 4,950            | 4,356           | -1,501  | 2,570   | 4,652   | 3,137   | 2,310          | 1,669           | 4,950               | 4,356           |  |  |  |  |  |  |
| 22   | Less: Current-cost adjustment (line 8 with sign reversed) .....  | -12,390                 | -13,524           | -3,030  | -3,068  | -3,116  | -3,176  | -3,247  | -3,329  | -3,422           | -3,526          | -3,030  | -3,068  | -3,116  | -3,176  | -3,247         | -3,329          | -3,422              | -3,526          |  |  |  |  |  |  |
| 23   | <b>Equals:</b> Capital without current-cost adjustment <sup>2</sup> .....                                      | -138,511                | -148,053          | -41,154 | -31,796 | -41,784 | -23,777 | -42,541 | -36,656 | -34,254          | -34,602         | -38,082 | -29,890 | -40,436 | -30,104 | -39,705        | -34,147         | -32,753             | -41,445         |  |  |  |  |  |  |
| 24   | Equity capital (line 15) .....   | -52,093                 | -56,333           | -15,470 | -8,580  | -21,452 | -6,591  | -9,403  | -13,812 | -12,309          | -20,809         | -15,470 | -8,580  | -21,452 | -6,591  | -9,403         | -13,812         | -12,309             | -20,809         |  |  |  |  |  |  |
| 25   | Petroleum .....  | -5,395                  | -4,862            | -1,249  | -721    | -433    | -2,992  | -552    | -2,569  | -586             | -1,155          | -1,249  | -721    | -433    | -2,992  | -552           | -2,569          | -586                | -1,155          |  |  |  |  |  |  |
| 26   | Manufacturing .....  | -14,323                 | -19,446           | -2,621  | -4,895  | -4,266  | -2,541  | -4,972  | -4,274  | -2,307           | -7,893          | -2,621  | -4,895  | -4,266  | -2,541  | -4,972         | -4,274          | -2,307              | -7,893          |  |  |  |  |  |  |
| 27   | Other .....  | -32,376                 | -32,024           | -11,599 | -2,965  | -16,754 | -1,058  | -3,879  | -6,969  | -9,416           | -11,760         | -11,599 | -2,965  | -16,754 | -1,058  | -3,879         | -6,969          | -9,416              | -11,760         |  |  |  |  |  |  |
| 28   | Reinvested earnings without current-cost adjustment (line 18 less line 22) .....                               | -57,250                 | -86,753           | -12,531 | -16,452 | -16,832 | -11,435 | -22,511 | -23,655 | -23,440          | -17,147         | -9,459  | -14,547 | -15,484 | -17,762 | -19,675        | -21,146         | -21,939             | -23,990         |  |  |  |  |  |  |
| 29   | Petroleum .....  | -4,513                  | -13,834           | -502    | -876    | -1,710  | -1,425  | -3,176  | -3,200  | -3,642           | -3,816          | -185    | -797    | -1,461  | -2,070  | -2,639         | -3,186          | -3,441              | -4,566          |  |  |  |  |  |  |
| 30   | Manufacturing .....  | -14,099                 | -21,140           | -3,565  | -5,273  | -4,109  | -1,152  | -6,255  | -6,578  | -5,642           | -2,665          | -2,373  | -4,036  | -3,768  | -3,924  | -5,181         | -5,286          | -5,391              | -5,281          |  |  |  |  |  |  |
| 31   | Other .....  | -38,637                 | -51,780           | -8,464  | -10,302 | -11,013 | -8,858  | -13,080 | -13,877 | -14,157          | -10,666         | -6,901  | -9,714  | -10,255 | -11,768 | -11,855        | -12,674         | -13,107             | -14,143         |  |  |  |  |  |  |
| 32   | Intercompany debt (line 19) .....  | -29,167                 | -4,967            | -13,153 | -6,763  | -3,500  | -5,751  | -10,627 | 811     | 1,495            | 3,354           | -13,153 | -6,763  | -3,500  | -5,751  | -10,627        | 811             | 1,495               | 3,354           |  |  |  |  |  |  |
| 33   | Petroleum .....  | 1,015                   | 6,222             | -1,845  | 1,392   | -28     | 1,496   | -1,594  | 5,119   | 3                | 2,694           | -1,845  | 1,392   | -28     | 1,496   | -1,594         | 5,119           | 3                   | 2,694           |  |  |  |  |  |  |
| 34   | Manufacturing .....  | -7,101                  | -1,776            | -6,445  | -778    | -2,833  | 2,955   | -3,332  | -475    | 1,660            | 371             | -6,445  | -778    | -2,833  | 2,955   | -3,332         | -475            | 1,660               | 371             |  |  |  |  |  |  |
| 35   | Other .....  | -23,083                 | -9,412            | -4,863  | -7,738  | -639    | -10,203 | -5,701  | -3,833  | -167             | 289             | -4,863  | -7,738  | -639    | -10,203 | -5,701         | -3,833          | -167                | 289             |  |  |  |  |  |  |
| 36   | Royalties and license fees, before deduction of withholding taxes, net .....                                   | 22,444                  | 22,180            | 5,441   | 5,447   | 5,464   | 6,092   | 5,327   | 5,467   | 5,332            | 6,054           | 5,627   | 5,606   | 5,561   | 5,648   | 5,514          | 5,624           | 5,432               | 5,610           |  |  |  |  |  |  |
| 37   | U.S. parents' receipts (table 1, part of line 9) .....   | 24,576                  | 24,780            | 5,941   | 5,955   | 5,999   | 6,681   | 5,948   | 6,096   | 6,005            | 6,731           | 6,127   | 6,114   | 6,097   | 6,238   | 6,135          | 6,253           | 6,105               | 6,287           |  |  |  |  |  |  |
| 38   | U.S. parents' payments (table 1, part of line 26) .....  | -2,134                  | -2,600            | -500    | -508    | -536    | -590    | -621    | -629    | -673             | -677            | -500    | -508    | -536    | -590    | -621           | -629            | -673                | -677            |  |  |  |  |  |  |
| 39   | Other private services, before deduction of withholding taxes, net .....                                       | 6,683                   | 7,317             | 1,922   | 1,492   | 1,620   | 1,649   | 1,603   | 1,874   | 1,794            | 2,046           | 1,751   | 1,484   | 1,696   | 1,752   | 1,416          | 1,886           | 1,896               | 2,117           |  |  |  |  |  |  |
| 40   | U.S. parents' receipts (table 1, part of line 10) .....  | 18,111                  | 18,608            | 4,399   | 4,309   | 4,423   | 4,980   | 4,421   | 4,664   | 4,503            | 5,020           | 4,512   | 4,336   | 4,569   | 4,693   | 4,537          | 4,690           | 4,655               | 4,725           |  |  |  |  |  |  |
| 41   | U.S. parents' payments (table 1, part of line 27) .....  | -11,427                 | -11,290           | -2,477  | -2,817  | -2,803  | -3,330  | -2,818  | -2,790  | -2,709           | -2,973          | -2,761  | -2,852  | -2,873  | -2,941  | -3,121         | -2,804          | -2,759              | -2,608          |  |  |  |  |  |  |
| <b>Foreign direct investment in the United States:</b> |  |                         |                   |         |         |         |         |         |         |                  |                 |         |         |         |         |                |                 |                     |                 |  |  |  |  |  |  |
| 42   | Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 31) .....            | -56,098                 | -65,683           | -10,593 | -14,790 | -15,607 | -15,108 | -16,723 | -19,519 | -16,236          | -13,205         | -10,916 | -14,106 | -15,660 | -15,416 | -17,027        | -18,862         | -16,320             | -13,475         |  |  |  |  |  |  |
| 43   | Earnings .....   | -40,543                 | -45,734           | -7,351  | -11,088 | -11,512 | -10,592 | -12,359 | -14,764 | -10,978          | -7,633          | -7,674  | -10,404 | -11,565 | -10,900 | -12,664        | -14,106         | -11,062             | -7,902          |  |  |  |  |  |  |
| 44   | Distributed earnings .....   | -17,390                 | -22,752           | -3,347  | -5,585  | -3,615  | -4,843  | -5,213  | -6,605  | -4,857           | -6,077          | -3,719  | -5,701  | -4,382  | -3,586  | -5,514         | -6,629          | -5,786              | -4,830          |  |  |  |  |  |  |
| 45   | Reinvested earnings .....  | -23,155                 | -22,981           | -4,004  | -5,504  | -7,897  | -5,750  | -7,146  | -8,159  | -6,121           | -1,555          | -3,955  | -4,703  | -7,183  | -7,314  | -7,150         | -7,478          | -5,276              | -3,072          |  |  |  |  |  |  |
| 46   | Interest <sup>1</sup> .....  | -15,555                 | -19,950           | -3,242  | -3,702  | -4,095  | -4,516  | -4,363  | -4,756  | -5,258           | -5,573          | -3,242  | -3,702  | -4,095  | -4,516  | -4,363         | -4,756          | -5,258              | -5,573          |  |  |  |  |  |  |
| 47   | U.S. affiliates' payments .....  | -17,316                 | -22,591           | -3,646  | -4,124  | -4,525  | -5,021  | -5,076  | -5,389  | -5,877           | -6,249          | -3,646  | -4,124  | -4,525  | -5,021  | -5,076         | -5,389          | -5,877              | -6,249          |  |  |  |  |  |  |
| 48   | U.S. affiliates' receipts .....  | 1,764                   | 2,640             | 405     | 423     | 431     | 505     | 712     | 633     | 619              | 676             | 405     | 423     | 431     | 505     | 712            | 633             | 619                 | 676             |  |  |  |  |  |  |
| 49   | Less: Current-cost adjustment .....  | -4,364                  | -4,628            | -1,091  | -1,086  | -1,089  | -1,098  | -1,115  | -1,138  | -1,169           | -1,206          | -1,091  | -1,086  | -1,089  | -1,098  | -1,115         | -1,138          | -1,169              | -1,206          |  |  |  |  |  |  |
| 50   | Less: Withholding taxes .....  | -730                    | -1,163            | -160    | -201    | -138    |         |         |         |                  |                 |         |         |         |         |                |                 |                     |                 |  |  |  |  |  |  |

**Table 6.—Securities Transactions**  
[Millions of dollars]

| Line   | (Credits +; debits -)   | 1999     | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |         |                  |                 |
|--|---|----------|-------------------|-------------------------|---------|---------|---------|---------|---------|------------------|-----------------|
|  |   |          |                   | 1999                    |         |         |         | 2000    |         |                  |                 |
|  |   |          |                   | I                       | II      | III     | IV      | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |
| A1   | Foreign securities, net U.S. purchases (-), (table 1, line 52 or lines 2 + 13 below)  | -128,594 | -123,606          | 1,107                   | -71,131 | -41,420 | -17,150 | -27,236 | -38,196 | -33,242          | -24,932         |
| 2  | Stocks, net U.S. purchases  | -114,401 | -98,768           | 4,951                   | -71,091 | -30,430 | -17,831 | -15,817 | -45,034 | -15,287          | -22,630         |
| 3  | New issues in the United States   | -8,770   | -15,526           | -1,121                  | -3,047  | -2,614  | -1,988  | -1,894  | -8,075  | -3,641           | -1,916          |
| 4  | Of which Western Europe   | (D)      | -2,924            | (D)                     | (P)     | (P)     | -665    | (P)     | -2,645  | -279             | -742            |
| 5  | Canada  | (D)      | -928              | (D)                     | -1,361  | -1,496  | (P)     | (P)     | -186    | -186             | -742            |
| 6  | Latin America   | (D)      | -1,477            | (D)                     | (P)     | (P)     | -880    | (P)     | -1,477  | -1,477           | -1,477          |
| 7  | Transactions in outstanding stocks, net   | -105,631 | -83,242           | -6,072                  | -68,044 | -27,816 | -15,843 | -13,923 | -36,959 | -11,646          | -20,714         |
| 8  | Western Europe  | -43,688  | -55,113           | 15,630                  | -59,414 | -2,961  | 3,057   | -571    | -27,632 | -12,170          | -14,740         |
| 9  | Of which United Kingdom   | -45,258  | -40,274           | 12,994                  | -56,822 | -188    | -1,242  | -2,130  | -22,761 | -8,315           | -7,068          |
| 10   | Canada  | -2,456   | -17,127           | -46                     | 1,280   | -3,355  | -335    | -3,144  | -4,489  | -3,009           | -6,485          |
| 11   | Japan   | -46,059  | 18,337            | -8,722                  | -8,583  | -8,913  | -19,841 | -1,422  | 12,214  | 5,909            | 1,636           |
| 12   | Other   | -13,428  | -29,339           | -790                    | -1,327  | -12,587 | 1,276   | -8,786  | -17,052 | -2,376           | -1,125          |
| 13   | Bonds, net U.S. purchases   | -14,193  | -24,838           | -3,844                  | -40     | -10,990 | 681     | -11,419 | 6,838   | -17,955          | -2,302          |
| 14   | New issues in the United States   | -34,775  | -54,273           | -7,791                  | -14,208 | -9,673  | -3,103  | -11,187 | -7,811  | -22,864          | -12,411         |
| 15   | By issuer:  |          |                   |                         |         |         |         |         |         |                  |                 |
| 16   | Central governments and their agencies and corporations   | -11,605  | -15,548           | -3,790                  | -4,843  | -1,150  | -1,822  | -6,500  | -2,400  | -6,648           | -245            |
| 17   | Other governments and their agencies and corporations <sup>1</sup>  | -1,450   | -1,595            | -225                    | -1,175  | -50     | -50     | -350    | -1,000  | -1,000           | -245            |
| 18   | Private corporations  | -21,720  | -36,899           | -3,776                  | -8,190  | -8,523  | -1,231  | -4,337  | -5,180  | -15,216          | -12,166         |
| 19   | International financial institutions <sup>2</sup>   |          | -231              |                         |         |         |         |         | -231    |                  |                 |
| 20   | By area:  |          |                   |                         |         |         |         |         |         |                  |                 |
| 21   | Western Europe  | -8,797   | -26,745           |                         | -3,797  | -5,000  |         | -872    | -3,425  | -11,913          | -10,535         |
| 22   | Canada  | -4,794   | -2,662            | -1,825                  | -724    | -1,545  | -700    | -385    | -615    | -1,377           | -285            |
| 23   | Japan   | -50      | -2,000            | -50                     |         |         |         | -2,000  |         |                  |                 |
| 24   | Latin America   | -12,834  | -17,894           | -3,460                  | -6,760  | -550    | -2,064  | -6,070  | -2,431  | -8,648           | -745            |
| 25   | Other countries   | -8,300   | -4,972            | -2,456                  | -2,927  | -339    |         | -1,860  | -1,340  | -926             | -846            |
| 26   | International financial institutions <sup>2</sup>   |          |                   |                         |         |         |         |         |         |                  |                 |
| 27   | Redemptions of U.S.-held foreign bonds <sup>3</sup>   | 18,469   | 20,886            | 3,463                   | 2,352   | 6,573   | 6,081   | 2,364   | 5,626   | 5,951            | 6,945           |
| 28   | Western Europe  | 4,705    | 4,121             | 798                     | 1,237   | 1,234   | 1,436   | 433     | 491     | 1,855            | 1,342           |
| 29   | Canada  | 4,275    | 6,927             | 1,123                   | 572     | 1,785   | 795     | 1,008   | 3,886   | 750              | 1,283           |
| 30   | Other countries   | 8,086    | 8,287             | 1,542                   | 543     | 3,083   | 2,918   | 923     | 853     | 2,661            | 3,850           |
| 31   | International financial institutions <sup>2</sup>   | 1,403    | 1,551             |                         |         | 471     | 932     |         | 396     | 685              | 470             |
| 32   | Other transactions in outstanding bonds, net <sup>3</sup>   | 2,113    | 8,549             | 484                     | 11,816  | -7,890  | -2,297  | -2,596  | 9,023   | -1,042           | 3,164           |
| 33   | Western Europe  | -3,628   | -19,134           | 1,890                   | 9,356   | -9,025  | -5,850  | -8,719  | -648    | -11,784          | 2,017           |
| 34   | Of which United Kingdom   | -2,452   | -26,509           | 1,250                   | 10,358  | -9,071  | -4,989  | -9,377  | -942    | -13,865          | -2,325          |
| 35   | Canada  | 328      | 648               | -257                    | 334     | -37     | 288     | -531    | -2,033  | 3,839            | -627            |
| 36   | Japan   | 2,222    | 5,599             | -1,718                  | 3,206   | -788    | 1,522   | 1,825   | 1,515   | 1,517            | 742             |
| 37   | Other   | 3,192    | 21,436            | 569                     | -1,080  | 1,960   | 1,743   | 4,829   | 10,189  | 5,386            | 1,032           |
| B1   | U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 56 or lines 2 + 10 below) | 331,523  | 465,858           | 62,815                  | 80,838  | 95,620  | 92,250  | 132,416 | 87,107  | 122,387          | 123,948         |
| 2  | Stocks, net foreign purchases   | 98,709   | 171,808           | 9,767                   | 29,887  | 24,704  | 34,351  | 61,194  | 26,333  | 47,771           | 36,510          |
| 3  | By area:  |          |                   |                         |         |         |         |         |         |                  |                 |
| 4  | Western Europe  | 91,276   | 162,081           | 18,306                  | 19,337  | 22,308  | 31,325  | 57,936  | 34,032  | 38,412           | 31,701          |
| 5  | Of which Germany  | 12,930   | 31,553            | 2,348                   | 3,798   | 988     | 5,796   | 15,528  | 9,286   | 3,638            | 3,101           |
| 6  | Switzerland   | 4,659    | 11,718            | 2,078                   | 3,105   | -985    | 461     | 6,750   | 2,266   | 3,546            | -844            |
| 7  | United Kingdom  | 39,973   | 57,896            | 7,073                   | 4,658   | 17,492  | 10,750  | 13,461  | 8,883   | 18,493           | 17,059          |
| 8  | Canada  | -1,875   | 7,226             | 1,171                   | -825    | -806    | -1,415  | 1,714   | 736     | 582              | 4,194           |
| 9  | Japan   | 5,127    | 2,011             | -2,899                  | 2,059   | 3,451   | 2,516   | -5,346  | -1,073  | 3,538            | 4,892           |
| 10   | Other   | 4,181    | 490               | -6,811                  | 9,316   | -249    | 1,925   | 6,890   | -7,362  | 5,239            | -4,277          |
| 11   | Corporate and other bonds, net foreign purchases  | 232,814  | 294,050           | 53,048                  | 50,951  | 70,916  | 57,899  | 71,222  | 60,774  | 74,616           | 87,438          |
| 12   | By type:  |          |                   |                         |         |         |         |         |         |                  |                 |
| 13   | New issues sold abroad by U.S. corporations   | 41,843   | 64,965            | 9,332                   | 7,823   | 18,298  | 6,390   | 13,560  | 17,759  | 23,788           | 9,858           |
| 14   | U.S. federally sponsored agency bonds, net  | 73,738   | 112,395           | 18,099                  | 17,044  | 21,161  | 17,434  | 26,577  | 18,997  | 28,588           | 38,233          |
| 15   | Other outstanding bonds, net  | 117,233  | 116,690           | 25,617                  | 26,084  | 31,457  | 34,075  | 31,085  | 24,018  | 22,240           | 39,347          |
| 16   | By area:  |          |                   |                         |         |         |         |         |         |                  |                 |
| 17   | Western Europe  | 134,787  | 167,421           | 31,169                  | 31,429  | 41,897  | 30,292  | 44,628  | 33,080  | 42,465           | 47,248          |
| 18   | Of which Germany  | 6,394    | 3,104             | 1,846                   | 1,389   | 2,359   | 800     | 191     | 1,223   | 838              | 852             |
| 19   | Switzerland   | 4,159    | 2,885             | 1,088                   | 471     | 1,442   | 1,158   | 760     | 565     | 1,060            | 500             |
| 20   | United Kingdom  | 106,720  | 141,352           | 23,549                  | 25,286  | 32,024  | 25,861  | 40,075  | 27,013  | 35,884           | 38,380          |
| 21   | Canada  | 4,476    | 10,899            | 1,082                   | 533     | 1,067   | 1,794   | 3,370   | 2,149   | 3,097            | 2,283           |
| 22   | Japan   | 17,564   | 38,995            | 1,318                   | 1,527   | 8,900   | 5,819   | 4,303   | 8,033   | 12,589           | 14,070          |
| 23   | Other countries   | 75,551   | 76,788            | 19,656                  | 17,465  | 18,503  | 19,927  | 19,032  | 17,508  | 16,282           | 23,966          |
| 24   | International financial institutions <sup>2</sup>   | 436      | -53               | -177                    | -3      | 549     | 67      | -111    | 4       | 183              | -129            |
| <b>Memoranda:</b>  |   |          |                   |                         |         |         |         |         |         |                  |                 |
| Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts: |   |          |                   |                         |         |         |         |         |         |                  |                 |
| Foreign official assets in the United States (lines in table 9):   |   |          |                   |                         |         |         |         |         |         |                  |                 |
| 1  | U.S. Treasury marketable bonds (line A4)  | -9,861   | -6,308            | -7,081                  | -3,076  | -1,093  | 1,389   | 7,971   | 3,586   | -6,816           | -11,049         |
| 2  | Other U.S. Government securities (line A6)  | 20,350   | 40,909            | 5,993                   | 5,792   | 1,835   | 6,730   | 8,107   | 10,334  | 14,272           | 8,196           |
| 3  | U.S. corporate and other bonds (part of line A14)   | 1,543    | 2,019             | -310                    | -678    | 1,590   | 941     | 423     | 491     | 422              | 683             |
| 4  | U.S. stocks (part of line A14)  | -643     | 1,108             | 415                     | 161     | -1,405  | 186     | 508     | 413     | -110             | 297             |
| 5  | Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)  | -767     | -47,565           | -9,085                  | 4,657   | 13,899  | -10,238 | -9,897  | -14,152 | -7,987           | -15,529         |

See footnotes on page 68.

Table 7.—Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns

[Millions of dollars]

| Line | (Credits +; increase in U.S. liabilities or decrease in U.S. assets.<br>Debits -; decrease in U.S. liabilities or increase in U.S. assets.) | 1999    | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |         |                  |                 | Amounts<br>outstand-<br>ing Dec.<br>31, 2000 |
|------|---|---------|-------------------|-------------------------|---------|---------|---------|---------|---------|------------------|-----------------|--|
|      |   |         |                   | 1999                    |         |         |         | 2000    |         |                  |                 |  |
|      |   |         |                   | I                       | II      | III     | IV      | I       | II      | III <sup>P</sup> | IV <sup>1</sup> |  |
| A1   | Claims, total (table 1, line 53)  | -92,328 | -156,988          | -14,223                 | -25,734 | -27,943 | -24,428 | -52,563 | -36,507 | -17,807          | -50,111         | 665,129                                      |
| 2    | Financial claims  | -87,134 | -157,417          | -14,590                 | -24,647 | -26,183 | -21,714 | -52,983 | -36,595 | -17,728          | -50,111         | 628,603                                      |
| 3    | <i>Denominated in U.S. dollars</i>  | -71,604 | -142,086          | -7,663                  | -22,559 | -23,011 | -18,371 | -46,144 | -37,959 | -7,872           | -50,111         | 533,025                                      |
| 4    | <i>Denominated in foreign currencies</i>  | -15,530 | -15,331           | -6,927                  | -2,088  | -3,172  | -3,343  | -6,839  | 1,364   | -9,856           |                 | 95,578                                       |
| 5    | By type: Deposits <sup>2</sup>  | -68,362 | -128,049          | -15,048                 | -19,821 | -17,365 | -16,128 | -39,877 | -31,725 | -6,608           | -49,839         | 475,523                                      |
| 6    | Financial intermediaries' accounts  | -14,406 | -29,315           | 802                     | -4,311  | -7,685  | -3,212  | -12,622 | -3,911  | -12,510          | -272            | 143,442                                      |
| 7    | Other claims <sup>2,3</sup>   | -4,366  | -53               | -344                    | -515    | -1,133  | -2,374  | -484    | -959    | 1,390            |                 | 9,638  |
| 8    | By area: Industrial countries <sup>4</sup>  | -58,628 | -76,498           | -24,918                 | -11,994 | -5,312  | -16,404 | -23,974 | -21,763 | -30,761          |                 | 390,078                                      |
| 9    | <i>Of which United Kingdom</i>  | -31,046 | -43,449           | -17,695                 | -13,613 | 6,861   | -6,599  | -27,264 | -8,815  | -7,370           |                 | 223,393                                      |
| 10   | Canada  | -4,238  | -2,116            | -2,918                  | 805     | -235    | -1,890  | 1,288   | 155     | -3,559           |                 | 12,675                                       |
| 11   | Caribbean banking centers <sup>5</sup>  | -26,149 | -77,500           | 11,006                  | -12,339 | -19,307 | -5,509  | -27,299 | -13,585 | 13,223           | -49,839         | 218,586                                      |
| 12   | Other   | -2,357  | -3,419            | -678                    | -314    | -1,564  | 199     | -1,710  | -1,247  | -190             | -272            | 19,939                                       |
| 13   | Commercial claims   | -5,194  | 429               | 367                     | -1,087  | -1,760  | -2,714  | 420     | 88      | -79              |                 | 36,526                                       |
| 14   | <i>Denominated in U.S. dollars</i>  | -4,616  | 363               | 107                     | -1,099  | -926    | -2,698  | 1,451   | -1,277  | 189              |                 | 34,385                                       |
| 15   | <i>Denominated in foreign currencies</i>  | -578    | 66                | 260                     | 12      | -834    | -16     | -1,031  | 1,365   | -268             |                 | 2,141  |
| 16   | By type: Trade receivables  | -5,393  | 1,177             | 478                     | -1,067  | -1,606  | -3,198  | 1,227   | 206     | -256             |                 | 31,556                                       |
| 17   | Advance payments and other claims   | 199     | -748              | -111                    | -20     | -154    | 484     | -807    | -118    | 177              |                 | 4,970  |
| 18   | By area: Industrial countries <sup>4</sup>  | -3,973  | 309               | 47                      | -139    | -1,444  | -2,437  | 340     | 316     | -347             |                 | 22,452                                       |
| 19   | Members of OPEC <sup>6</sup>  | -539    | 224               | 22                      | -362    | -68     | -131    | 151     | 111     | -38              |                 | 2,231  |
| 20   | Other   | -682    | -104              | 298                     | -586    | -248    | -146    | -71     | -339    | 306              |                 | 11,843                                       |
| B1   | Liabilities, total (table 1, line 68)   | 34,298  | 105,728           | 27,928                  | 13,663  | -8,085  | 792     | 58,061  | 24,038  | 1,506            | 22,123          | 624,617                                      |
| 2    | Financial liabilities   | 38,975  | 102,687           | 31,079                  | 13,814  | -8,023  | 2,105   | 58,555  | 22,262  | -253             | 22,123          | 597,568                                      |
| 3    | <i>Denominated in U.S. dollars</i>  | 47,488  | 93,899            | 27,063                  | 22,511  | -9,295  | 7,209   | 53,629  | 17,314  | 833              | 22,123          | 568,328                                      |
| 4    | <i>Denominated in foreign currencies</i>  | -8,513  | 8,788             | 4,016                   | -8,697  | 1,272   | -5,104  | 4,926   | 4,948   | -1,086           |                 | 29,240                                       |
| 5    | By type: Financial intermediaries' accounts   | 42,600  | 27,937            | 17,909                  | 15,441  | 3,462   | 5,788   | 36,250  | -6,317  | -28              | -1,968          | 222,486                                      |
| 6    | Other liabilities   | -3,625  | 74,750            | 13,170                  | -1,627  | -11,485 | -3,683  | 22,305  | 28,579  | -225             | 24,091          | 375,082                                      |
| 7    | By area: Industrial countries <sup>4</sup>  | 54,682  | 60,239            | 26,176                  | 24,003  | -4,382  | 8,885   | 59,770  | 2,598   | -2,129           |                 | 370,639                                      |
| 8    | <i>Of which United Kingdom</i>  | 38,868  | 32,204            | 23,021                  | 13,299  | -4,697  | 7,245   | 44,633  | -12,368 | -61              |                 | 239,958                                      |
| 9    | Caribbean banking centers <sup>5</sup>  | -17,681 | 37,711            | 3,398                   | -12,435 | -2,363  | -6,281  | -3,492  | 16,523  | 589              | 24,091          | 202,931                                      |
| 10   | Other   | 1,974   | 4,737             | 1,505                   | 2,246   | -1,278  | -499    | 2,277   | 3,141   | 1,287            | -1,968          | 23,998                                       |
| 11   | Commercial liabilities  | -4,677  | 3,041             | -3,151                  | -151    | -62     | -1,313  | -494    | 1,776   | 1,759            |                 | 27,049                                       |
| 12   | <i>Denominated in U.S. dollars</i>  | -4,977  | 2,940             | -3,533                  | -203    | -102    | -1,139  | -691    | 1,924   | 1,707            |                 | 25,592                                       |
| 13   | <i>Denominated in foreign currencies</i>  | 300     | 101               | 382                     | 52      | 40      | -174    | 197     | -148    | 52               |                 | 1,457  |
| 14   | By type: Trade payables   | 1,886   | 1,359             | -979                    | 936     | 1,716   | 213     | -458    | 1,363   | 454              |                 | 14,218                                       |
| 15   | Advance receipts and other liabilities  | -6,563  | 1,682             | -2,172                  | -1,087  | -1,778  | -1,526  | -36     | 413     | 1,305            |                 | 12,831                                       |
| 16   | By area: Industrial countries <sup>4</sup>  | -4,013  | 356               | -2,713                  | 382     | -822    | -860    | -882    | 296     | 942              |                 | 13,616                                       |
| 17   | Members of OPEC <sup>6</sup>  | -162    | 1,233             | -478                    | -240    | 695     | -139    | -328    | 1,301   | 260              |                 | 4,644  |
| 18   | Other   | -502    | 1,452             | 40                      | -293    | 65      | -314    | 716     | 179     | 557              |                 | 8,789  |

See footnotes on page 68.

Table 8.—Claims on Foreigners Reported by U.S. Banks

[Millions of dollars]

| Line | (Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)                          | 1999     | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |         |                  |                 | Amounts outstanding Dec. 31, 2000 |
|------|---|----------|-------------------|-------------------------|---------|---------|---------|---------|---------|------------------|-----------------|-----------------------------------|
|      |   |          |                   | 1999                    |         |         |         | 2000    |         |                  |                 |                                   |
|      |   |          |                   | I                       | II      | III     | IV      | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |                                   |
| 1    | Total (table 1, line 54) .....  | -69,862  | -110,173          | 28,487                  | -41,786 | -11,259 | -45,304 | -55,511 | 18,320  | -5,964           | -67,018         | 1,232,456                         |
| 2    | By type:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 3    | Banks' own claims .....   | -45,800  | -87,622           | 34,518                  | -29,125 | -16,486 | -34,707 | -16,047 | -12,028 | -7,523           | -52,024         | 952,985                           |
| 4    | Payable in dollars .....  | -42,247  | -99,461           | 40,271                  | -39,990 | -8,191  | -34,337 | -18,513 | -12,008 | -13,247          | -55,693         | 896,118                           |
| 5    | By borrower:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 6    | Claims on:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 7    | own foreign offices .....   | -27,322  | -80,760           | 32,666                  | -20,826 | 54      | -39,216 | -23,821 | -1,044  | -18,735          | -37,160         | 613,612                           |
| 8    | unaffiliated foreign banks .....  | 4,976    | -2,748            | 12,237                  | -10,092 | 2,049   | 782     | 5,197   | 3,119   | 1,678            | -12,742         | 100,018                           |
| 9    | foreign public borrowers <sup>1</sup> .....   | -11,671  | -3,524            | -11,211                 | -2,596  | 2,347   | -211    | -946    | -5,425  | 788              | 2,059           | 38,377                            |
| 10   | other private foreigners .....  | -8,230   | -12,429           | 6,579                   | -6,476  | -12,641 | 4,308   | 1,057   | -8,658  | 3,022            | -7,850          | 144,111                           |
| 11   | By type of reporting institution: <sup>2</sup>  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 12   | U.S.-owned banks' claims on:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 13   | own foreign offices .....   | 11,709   | -16,259           | 26,433                  | 9,355   | -13,068 | -11,011 | 13,634  | -15,897 | 42               | -14,038         | 186,993                           |
| 14   | unaffiliated foreign banks .....  | -9,211   | -312              | -2,345                  | 906     | 2,061   | -9,833  | 11,372  | -3,522  | -748             | -7,414          | 40,406                            |
| 15   | other foreigners .....  | 1,778    | -724              | 4,415                   | -65     | 138     | -2,710  | -1,287  | 4,419   | -71              | -3,785          | 34,097                            |
| 16   | Foreign-owned banks' claims on:   |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 17   | own foreign offices .....   | -39,031  | -64,501           | 6,233                   | -30,181 | 13,122  | -28,205 | -37,455 | 14,853  | -18,777          | -23,122         | 426,619                           |
| 18   | unaffiliated foreign banks .....  | 15,624   | -517              | 10,062                  | -5,024  | 1,661   | 8,925   | -5,204  | 7,010   | 667              | -2,990          | 43,770                            |
| 19   | other foreigners .....  | -6,767   | -7,246            | -5,302                  | -915    | 532     | -1,082  | 1,744   | -4,045  | -65              | -4,880          | 78,678                            |
| 20   | U.S. brokers' and dealers' claims on:   |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 21   | unaffiliated foreign banks .....  | -1,437   | -1,919            | 4,520                   | -5,974  | -1,673  | 1,690   | -971    | -369    | 1,759            | -2,338          | 15,842                            |
| 22   | other foreigners .....  | -14,912  | -7,983            | -3,745                  | -8,092  | -10,964 | 7,889   | -346    | -14,457 | 3,946            | 2,874           | 69,713                            |
| 23   | Payable in foreign currencies .....   | -3,553   | 11,839            | -5,753                  | 10,865  | -8,295  | -370    | 2,466   | -20     | 5,724            | 3,669           | 56,867                            |
| 24   | Banks' domestic customers' claims .....   | -24,062  | -22,551           | -6,031                  | -12,661 | 5,227   | -10,597 | -39,464 | 30,348  | 1,559            | -14,994         | 279,471                           |
| 25   | Payable in dollars .....  | -29,710  | -22,891           | -15,710                 | -226    | -6,713  | -7,061  | -38,537 | 27,397  | 1,880            | -13,631         | 258,985                           |
| 26   | Deposits .....  | -6,930   | 19,781            | -13,668                 | -1,544  | 7,353   | 929     | -22,859 | 22,435  | 18,715           | 1,490           | 85,850                            |
| 27   | Foreign commercial paper <sup>3</sup> .....   | -12,572  | -39,917           | -3,367                  | 5,248   | -2,939  | -11,514 | -14,415 | 875     | -11,980          | -14,397         | 133,000                           |
| 28   | Other negotiable and readily transferable instruments <sup>4</sup> .....                          | -11,195  | -2,664            | 300                     | -6,168  | -7,347  | 2,020   | -1,892  | 7,161   | -8,097           | 164             | 27,412                            |
| 29   | Outstanding collections and other .....   | 987      | -91               | 1,025                   | 2,238   | -3,780  | 1,504   | 629     | -3,074  | 3,242            | -888            | 12,723                            |
| 30   | Payable in foreign currencies .....   | 5,648    | 340               | 9,679                   | -12,435 | 11,940  | -3,536  | -927    | 2,951   | -321             | -1,363          | 20,486                            |
| 31   | By area:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 32   | Industrial countries <sup>5</sup> .....   | -63,433  | -114,612          | 9,168                   | -57,451 | -2,482  | -12,668 | -92,041 | 20,956  | -7,238           | -36,289         | 720,547                           |
| 33   | Western Europe .....  | -105,283 | -98,726           | -6,063                  | -78,937 | -9,566  | -10,717 | -84,353 | 31,056  | -12,179          | -33,250         | 601,330                           |
| 34   | Of which United Kingdom .....   | -36,433  | -47,923           | 6,185                   | -40,742 | -2,201  | 325     | -13,589 | -8,102  | -6,958           | -19,274         | 255,951                           |
| 35   | Canada .....  | 19,126   | -3,425            | 9,256                   | 9,398   | 1,158   | -686    | -6,221  | -2,117  | 7,686            | -2,773          | 63,623                            |
| 36   | Japan .....   | 20,917   | -7,402            | 5,816                   | 15,089  | 164     | -152    | 647     | -5,389  | -3,199           | 539             | 39,325                            |
| 37   | Other .....   | 1,807    | -5,059            | 159                     | -3,001  | 5,762   | -1,113  | -2,114  | -2,594  | 454              | -805            | 16,269                            |
| 38   | Caribbean banking centers <sup>6</sup> .....  | -20,423  | 4,465             | 11,407                  | 11,186  | -9,588  | -33,428 | 30,572  | 338     | 1,948            | -28,393         | 357,131                           |
| 39   | Other areas .....   | 13,994   | -26               | 7,912                   | 4,479   | 811     | 792     | 5,958   | -2,974  | -674             | -2,336          | 154,778                           |
| 40   | Of which Members of OPEC, included below <sup>7</sup> .....                                       | 5,587    | 3,774             | 6,419                   | 3,864   | -1,557  | -3,139  | 2,782   | -697    | 1,431            | 258             | 17,563                            |
| 41   | Latin America .....   | 6,197    | -3,974            | 4,205                   | 1,161   | 2,783   | -1,952  | 3,828   | 1,080   | -2,005           | -6,877          | 95,392                            |
| 42   | Asia .....  | 6,990    | 2,744             | 5,643                   | 1,059   | -3,189  | 3,477   | 684     | -3,355  | 1,641            | 3,774           | 50,646                            |
| 43   | Africa .....  | 942      | -89               | 402                     | 182     | 30      | 328     | 118     | -150    | -489             | 432             | 1,867                             |
| 44   | Other <sup>8</sup> .....  | -135     | 1,293             | -2,338                  | 2,077   | 1,187   | -1,061  | 1,328   | -549    | 179              | 335             | 6,873                             |
| 45   | Memoranda:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 46   | International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above) ..... | -26,321  | -38,242           | 18,188                  | -7,122  | -25,462 | -11,925 | -30,449 | 14,577  | -17,765          | -4,605          | 281,763                           |
| 47   | By borrower:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 48   | Claims on:  |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 49   | own foreign offices .....   | -34,334  | -51,602           | 10,721                  | -8,683  | -25,319 | -11,053 | -37,852 | 10,697  | -20,264          | -4,183          | 207,090                           |
| 50   | unaffiliated foreign banks .....  | 5,505    | 10,858            | 7,453                   | 344     | -401    | -1,891  | 6,889   | 3,879   | 358              | -268            | 37,764                            |
| 51   | foreign public borrowers .....  | 336      | 449               | 298                     | 279     | -355    | 114     | 78      | -398    | 796              | -27             | 5,740                             |
| 52   | all other foreigners .....  | 2,172    | 2,053             | -284                    | 938     | 613     | 905     | 436     | 399     | 1,345            | -127            | 31,169                            |
| 53   | By bank ownership: <sup>2</sup>   |          |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 54   | U.S.-owned IBF's .....  | -10,682  | 2,403             | 3,559                   | -4,594  | -7,515  | -2,132  | 8,808   | -6,155  | 5,226            | -5,476          | 77,211                            |
| 55   | Foreign-owned IBF's .....   | -15,639  | -40,645           | 14,629                  | -2,528  | -17,947 | -9,793  | -39,257 | 20,732  | -22,991          | 871             | 204,552                           |
| 56   | Banks' dollar acceptances payable by foreigners .....   | -152     | 386               | 34                      | 30      | -164    | -52     | 206     | -618    | 229              | 569             | 4,258                             |

See footnotes on page 68.



Table 9.—Foreign Official Assets and Other Foreign Assets in the United States Reported by U.S. Banks

[Millions of dollars]

| Line | (Credits +; increase in foreign assets. Debits -; decrease in foreign assets.)                                  | 1999    | 2000 <sup>P</sup> | Not seasonally adjusted |         |         |         |         |         |                  |                 | Amounts outstanding Dec. 31, 2000 |
|------|---|---------|-------------------|-------------------------|---------|---------|---------|---------|---------|------------------|-----------------|-----------------------------------|
|      |   |         |                   | 1999                    |         |         |         | 2000    |         |                  |                 |                                   |
|      |   |         |                   | I                       | II      | III     | IV      | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |                                   |
| A1   | Foreign official assets in the United States, net (table 1, line 56) .....                                      | 42,864  | 35,909            | 4,274                   | -1,096  | 12,191  | 27,495  | 22,015  | 6,346   | 11,901           | -4,353          | 924,838                           |
|      | By type:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 2    | U.S. Treasury securities (table 1, line 58) .....   | 12,177  | -11,377           | 800                     | -6,708  | 12,963  | 5,122   | 16,198  | -4,000  | -9,001           | -14,574         | 581,207                           |
| 3    | Bills and certificates .....  | 22,000  | -4,305            | 7,764                   | -3,423  | 13,939  | 3,720   | 8,604   | -7,591  | -1,692           | -3,626          | 151,872                           |
| 4    | Bonds and notes, marketable .....   | -9,861  | -6,308            | -7,081                  | -3,076  | -1,093  | 1,389   | 7,971   | 3,586   | -6,816           | -11,049         | 423,986                           |
| 5    | Bonds and notes, nonmarketable .....  | 38      | -764              | 117                     | -209    | 117     | 13      | -377    | 5       | -493             | 101             | 5,349                             |
| 6    | Other U.S. Government securities (table 1, line 59) .....   | 20,350  | 40,909            | 5,993                   | 5,792   | 1,835   | 6,730   | 8,107   | 10,334  | 14,272           | 8,196           | 94,553                            |
| 7    | Other U.S. Government liabilities (table 1, line 60) .....  | -3,255  | -2,540            | -1,485                  | -1,099  | -760    | 89      | -644    | -781    | -620             | -495            | 12,552                            |
| 8    | U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61) .....                        | 12,692  | 5,790             | -1,139                  | 1,436   | -2,032  | 14,427  | -2,577  | -111    | 6,938            | 1,540           | 144,550                           |
| 9    | Banks' liabilities for own account, payable in dollars <sup>1</sup> .....                                       | 17,117  | -606              | -3,259                  | 1,448   | -1,665  | 20,593  | -10,428 | 1,262   | 6,657            | 1,903           | 96,952                            |
| 10   | Demand deposits .....   | 338     | 609               | 390                     | -441    | -20     | 409     | -960    | 506     | 2,326            | -1,263          | 3,950                             |
| 11   | Time deposits <sup>1</sup> .....  | -806    | 6,520             | -5,966                  | 2,783   | -1,052  | 3,429   | 1,175   | 3,403   | 2,983            | -1,041          | 35,638                            |
| 12   | Other liabilities <sup>2</sup> .....  | 17,585  | -7,735            | 2,317                   | -894    | -593    | 16,755  | -10,643 | -2,647  | 1,348            | 4,207           | 57,364                            |
| 13   | Banks' custody liabilities, payable in dollars <sup>1,3</sup> .....   | -4,425  | 6,396             | 2,120                   | -12     | -367    | -6,166  | 7,851   | -1,373  | 281              | -363            | 47,598                            |
| 14   | Other foreign official assets (table 1, line 62) .....  | 900     | 3,127             | 105                     | -517    | 185     | 1,127   | 931     | 904     | 312              | 980             | 91,976                            |
|      | By area: (see text table D).  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| B1   | Other foreign assets in the United States, net (table 1, lines 65 and 69) .....                                 | 46,939  | 27,279            | -21,456                 | 31,744  | 34,224  | 2,427   | -18,072 | 26,346  | -13,907          | 32,912          | 1,779,709                         |
|      | By type:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 2    | U.S. Treasury securities (line 65) .....  | -20,464 | -52,206           | -7,505                  | -5,407  | 9,639   | -17,191 | -9,248  | -20,597 | -12,513          | -9,848          | 640,123                           |
|      | By security:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 3    | Bills and certificates .....  | -19,697 | -4,641            | 1,580                   | -10,064 | -4,260  | -6,953  | 649     | -6,445  | -4,526           | 5,681           | 24,787                            |
| 4    | Marketable bonds and notes .....  | -767    | -47,565           | -9,085                  | 4,657   | 13,899  | -10,238 | -9,897  | -14,152 | -7,987           | -15,529         | 615,336                           |
| 5    | U.S. liabilities reported by U.S. banks (line 69) .....   | 67,403  | 79,485            | -13,951                 | 37,151  | 24,585  | 19,618  | -8,824  | 46,943  | -1,394           | 42,760          | 1,139,586                         |
| 6    | Banks' own liabilities <sup>1</sup> .....   | 70,905  | 72,543            | -4,139                  | 43,990  | 17,883  | 13,171  | 3,019   | 48,887  | 2,947            | 17,690          | 1,027,968                         |
| 7    | Payable in dollars .....  | 73,735  | 86,495            | -8,423                  | 45,717  | 9,740   | 26,701  | 4,331   | 54,543  | 7,846            | 19,775          | 951,848                           |
|      | By account:   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 8    | Liabilities to own foreign offices .....  | 40,339  | 49,597            | -29,803                 | 41,637  | -8,982  | 37,487  | 5,337   | 24,556  | 5,089            | 14,615          | 650,493                           |
|      | Liabilities to unaffiliated foreigners:   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 9    | demand deposits .....   | 13,021  | -9,919            | 965                     | 5,850   | 8,292   | -2,086  | -12,669 | 958     | -1,081           | 2,873           | 29,624                            |
| 10   | time deposits <sup>1</sup> .....  | 16,227  | 21,478            | 5,221                   | 2,476   | 1,093   | 7,437   | 2,236   | 12,383  | -1,124           | 7,983           | 156,126                           |
| 11   | other liabilities <sup>2</sup> .....  | 4,148   | 25,339            | 15,194                  | -4,246  | 9,337   | -16,137 | 9,427   | 16,646  | 4,962            | -5,696          | 115,605                           |
|      | By holder:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
|      | Liabilities to:   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 12   | own foreign offices .....   | 40,339  | 49,597            | -29,803                 | 41,637  | -8,982  | 37,487  | 5,337   | 24,556  | 5,089            | 14,615          | 650,493                           |
| 13   | unaffiliated foreign banks .....  | 13,002  | 19,326            | 2,840                   | 4,817   | 5,979   | -634    | -4,932  | 10,461  | 1,659            | 12,138          | 138,652                           |
| 14   | other private foreigners .....  | 17,291  | 20,419            | 14,769                  | -2,118  | 9,866   | -5,226  | 697     | 16,556  | 6,618            | -3,452          | 150,825                           |
| 15   | international financial institutions <sup>4</sup> .....   | 3,103   | -2,847            | 3,771                   | 1,381   | 2,877   | -4,926  | 3,229   | 2,970   | -5,520           | -3,526          | 11,878                            |
|      | By type of reporting institution: <sup>5</sup>  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
|      | U.S.-owned banks' liabilities to:   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 16   | own foreign offices .....   | 50,067  | 71,756            | -2,628                  | 24,386  | 7,325   | 20,984  | 7,301   | 64,703  | -7,814           | 7,566           | 319,606                           |
| 17   | unaffiliated foreign banks .....  | 7,763   | -3,283            | -6,121                  | 1,056   | 2,557   | 10,271  | -10,426 | -282    | -566             | 7,991           | 41,052                            |
| 18   | other private foreigners and international financial institutions <sup>4</sup> .....                            | 18,970  | -16,354           | 154                     | 2,457   | 15,625  | 734     | -11,888 | -4,758  | 1,135            | -843            | 54,654                            |
|      | Foreign-owned banks' liabilities to:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 19   | own foreign offices .....   | -9,728  | -22,159           | -27,175                 | 17,251  | -16,307 | 16,503  | -1,964  | -40,147 | 12,903           | 7,049           | 330,887                           |
| 20   | unaffiliated foreign banks .....  | 5,220   | 21,743            | 6,912                   | -891    | 5,808   | -6,609  | 3,315   | 10,559  | 1,549            | 6,320           | 90,297                            |
| 21   | other private foreigners and international financial institutions <sup>4</sup> .....                            | 7,429   | 9,013             | 8,476                   | 3,454   | -1,925  | -2,576  | 5,349   | 10,129  | -2,664           | -3,801          | 58,891                            |
|      | U.S. brokers' and dealers' liabilities to:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 22   | unaffiliated foreign banks .....  | 19      | 866               | 2,049                   | 4,652   | -2,386  | -4,296  | 2,179   | 184     | 676              | -2,173          | 7,303                             |
| 23   | other private foreigners and international financial institutions <sup>4</sup> .....                            | -6,005  | 24,913            | 9,910                   | -6,648  | -957    | -8,310  | 10,465  | 14,155  | 2,627            | -2,334          | 49,158                            |
| 24   | Payable in foreign currencies .....   | -2,830  | -13,952           | 4,284                   | -1,727  | 8,143   | -13,530 | -1,312  | -5,656  | -4,899           | -2,085          | 76,120                            |
| 25   | Banks' custody liabilities, payable in dollars <sup>1,3</sup> .....   | -3,502  | 6,942             | -9,812                  | -6,839  | 6,702   | 6,447   | -11,843 | -1,944  | -4,341           | 25,070          | 111,618                           |
| 26   | Of which negotiable and readily transferable instruments .....  | -5,323  | 6,075             | -10,609                 | -8,804  | 7,760   | 6,330   | -12,482 | -1,880  | -4,423           | 24,860          | 97,496                            |
|      | By area:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 27   | Industrial countries <sup>6</sup> .....   | -39,237 | -52,893           | -25,193                 | -11,616 | 15,133  | -17,561 | -25,938 | -9,238  | 3,388            | -21,105         | 975,436                           |
| 28   | Western Europe .....  | -11,462 | -38,822           | -5,539                  | -4,839  | 16,131  | -17,215 | -6,790  | -14,354 | 8,778            | -26,456         | 689,452                           |
| 29   | Canada .....  | 13,794  | -1,496            | 709                     | 3,558   | 4,286   | 5,241   | 2,346   | 3,439   | -3,311           | -3,970          | 48,908                            |
| 30   | Other .....   | -41,569 | -12,575           | -20,363                 | -10,335 | -5,284  | -5,587  | -21,494 | 1,677   | -2,079           | 9,321           | 237,076                           |
| 31   | Caribbean banking centers <sup>7</sup> .....  | 46,610  | 79,208            | -8,116                  | 33,940  | 10,188  | 10,598  | 9,520   | 32,590  | -9,580           | 46,678          | 503,717                           |
| 32   | Other areas .....   | 39,566  | 964               | 11,853                  | 9,420   | 8,903   | 9,390   | -1,654  | 2,994   | -7,715           | 7,339           | 300,556                           |
| 33   | Of which Members of OPEC, included below <sup>8</sup> :   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 34   | Latin America .....   | 5,506   | 4,435             | 465                     | 351     | 86      | 4,604   | -3,488  | 2,633   | 3,596            | 1,694           | 42,638                            |
| 35   | Asia .....  | 11,998  | 743               | 4,596                   | 5,935   | 2,425   | -958    | 1,192   | -1,264  | -1,137           | 1,952           | 102,697                           |
| 36   | Africa .....  | 24,187  | 3,543             | 4,052                   | 911     | 4,893   | 14,331  | -5,479  | 1,409   | -246             | 7,859           | 166,306                           |
| 37   | Other <sup>9</sup> .....  | -70     | 749               | -180                    | -138    | 16      | 232     | 433     | -13     | 162              | 167             | 5,387                             |
|      | Other <sup>9</sup> .....  | 3,451   | -4,071            | 3,385                   | 2,712   | 1,569   | -4,215  | 2,200   | 2,862   | -6,494           | -2,639          | 26,166                            |
|      | Memoranda:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 1    | International banking facilities' (IBF's) own liabilities, payable in dollars (in lines A9, and B7 above) ..... | -6,613  | 20,148            | -23,365                 | 8,364   | 4,640   | 3,748   | -10,812 | 8,696   | 30,742           | -8,478          | 384,410                           |
|      | By holder:  |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
|      | Liabilities to:   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 2    | own foreign offices .....   | -4,084  | -16,132           | -21,576                 | 7,700   | -337    | 10,129  | -20,268 | -8,013  | 28,969           | -16,820         | 210,044                           |
| 3    | unaffiliated foreign banks .....  | 1,148   | 22,882            | 596                     | -2,306  | 8,943   | -6,085  | 2,638   | 11,542  | -600             | 9,302           | 97,979                            |
| 4    | foreign official agencies .....   | -6,049  | 8,342             | -5,196                  | 1,226   | -3,582  | 1,503   | 5,443   | 1,327   | 552              | 1,020           | 40,889                            |
| 5    | other private foreigners and international financial institutions <sup>4</sup> .....                            | 2,372   | 5,056             | 2,811                   | 1,744   | -384    | -1,799  | 1,375   | 3,840   | 1,821            | -1,980          | 35,498                            |
|      | By bank ownership: <sup>5</sup>   |         |                   |                         |         |         |         |         |         |                  |                 |                                   |
| 6    | U.S.-owned IBF's .....  | 16,174  | -2,514            | -1,809                  | 2,882   | 6,041   | 9,060   | -11,783 | 8,483   | -4,127           | 4,913           | 76,911                            |
| 7    | Foreign-owned IBF's .....   | -22,787 | 22,662            | -21,556                 | 5,482   | -1,401  | -5,312  | 971     | 213     | 34,869           | -13,391         | 307,499                           |
| 8    | Negotiable certificates of deposit held for foreigners <sup>1</sup> (in lines A13 and B25 above) .....          | 3,319   | 3,742             | -3,991                  | -466    | 1,798   | 5,978   | -2,289  | -1,485  | -580             | 8,096           | 34,087                            |

See footnotes on page 68.

Table 10.—U.S. International  
[Millions]

| Line                          | (Credits +; debits -) <sup>1</sup>   | Western Europe |                   |          |          |                  |                 | European Union <sup>14</sup> |                   |
|-------------------------------|--|----------------|-------------------|----------|----------|------------------|-----------------|------------------------------|-------------------|
|                               |  | 1999           | 2000 <sup>P</sup> | 2000     |          |                  |                 | 1999                         | 2000 <sup>P</sup> |
|                               |  |                |                   | I        | II       | III <sup>r</sup> | IV <sup>P</sup> |                              |                   |
| Current account               |  |                |                   |          |          |                  |                 |                              |                   |
| 1                             | Exports of goods and services and income receipts .....                                      | 379,767        | 436,680           | 104,910  | 109,343  | 109,018          | 113,409         | 342,301                      | 391,291           |
| 2                             | Exports of goods and services .....  | 259,788        | 284,539           | 68,077   | 70,535   | 70,888           | 75,039          | 236,481                      | 257,472           |
| 3                             | Goods, balance of payments basis <sup>2</sup> .....  | 162,518        | 178,352           | 43,726   | 44,452   | 42,675           | 47,499          | 148,907                      | 162,319           |
| 4                             | Services <sup>3</sup> .....  | 97,270         | 106,187           | 24,351   | 26,083   | 28,213           | 27,540          | 87,574                       | 95,153            |
| 5                             | Transfers under U.S. military agency sales contracts <sup>4</sup> .....                      | 4,479          | 3,932             | 957      | 1,001    | 979              | 995             | 2,764                        | 2,448             |
| 6                             | Travel .....   | 24,397         | 28,063            | 5,470    | 7,061    | 8,392            | 7,140           | 22,369                       | 25,623            |
| 7                             | Passenger fares .....  | 7,015          | 7,390             | 1,368    | 1,817    | 2,262            | 1,943           | 6,700                        | 7,033             |
| 8                             | Other transportation .....   | 8,085          | 9,117             | 2,147    | 2,253    | 2,473            | 2,244           | 7,092                        | 7,927             |
| 9                             | Royalties and license fees <sup>5</sup> .....  | 18,757         | 18,707            | 4,558    | 4,571    | 4,509            | 5,069           | 17,648                       | 17,100            |
| 10                            | Other private services <sup>5</sup> .....  | 34,361         | 38,806            | 9,811    | 9,338    | 9,553            | 10,104          | 30,851                       | 34,860            |
| 11                            | U.S. Government miscellaneous services .....   | 176            | 172               | 40       | 42       | 45               | 45              | 150                          | 156               |
| 12                            | Income receipts .....  | 119,979        | 152,141           | 36,833   | 38,808   | 38,130           | 38,370          | 105,820                      | 133,819           |
| 13                            | Income receipts on U.S.-owned assets abroad .....  | 119,823        | 151,989           | 36,795   | 38,769   | 38,093           | 38,332          | 105,676                      | 133,679           |
| 14                            | Direct investment receipts .....   | 53,136         | 65,255            | 16,374   | 16,957   | 15,969           | 15,955          | 45,302                       | 55,995            |
| 15                            | Other private receipts .....   | 65,896         | 85,888            | 20,168   | 21,665   | 21,881           | 22,174          | 59,726                       | 76,958            |
| 16                            | U.S. Government receipts .....   | 791            | 846               | 253      | 147      | 243              | 203             | 648                          | 726               |
| 17                            | Compensation of employees .....  | 156            | 152               | 38       | 39       | 37               | 38              | 144                          | 140               |
| 18                            | Imports of goods and services and income payments .....                                      | -447,023       | -513,400          | -120,768 | -130,643 | -131,498         | -130,491        | -402,925                     | -459,401          |
| 19                            | Imports of goods and services .....  | -293,280       | -333,131          | -77,357  | -83,340  | -85,330          | -87,104         | -264,422                     | -298,593          |
| 20                            | Goods, balance of payments basis <sup>2</sup> .....  | -214,756       | -243,395          | -58,413  | -59,737  | -60,306          | -64,939         | -194,527                     | -219,904          |
| 21                            | Services <sup>3</sup> .....  | -78,524        | -89,736           | -18,944  | -23,603  | -25,024          | -22,165         | -69,895                      | -78,689           |
| 22                            | Direct defense expenditures .....  | -7,789         | -8,124            | -1,981   | -1,986   | -2,047           | -2,110          | -6,455                       | -6,393            |
| 23                            | Travel .....   | -20,137        | -22,242           | -3,784   | -6,875   | -7,183           | -4,400          | -18,325                      | -20,238           |
| 24                            | Passenger fares .....  | -10,683        | -11,893           | -2,491   | -3,361   | -3,412           | -2,629          | -9,577                       | -10,658           |
| 25                            | Other transportation .....   | -11,181        | -13,629           | -3,028   | -3,345   | -3,660           | -3,596          | -9,284                       | -11,144           |
| 26                            | Royalties and license fees <sup>5</sup> .....  | -7,433         | -8,537            | -1,922   | -1,850   | -2,184           | -2,581          | -6,113                       | -6,656            |
| 27                            | Other private services <sup>5</sup> .....  | -20,173        | -24,155           | -5,455   | -5,899   | -6,246           | -6,555          | -19,179                      | -22,603           |
| 28                            | U.S. Government miscellaneous services .....   | -1,128         | -1,156            | -283     | -287     | -292             | -294            | -962                         | -997              |
| 29                            | Income payments .....  | -153,743       | -180,269          | -43,411  | -47,303  | -46,168          | -43,387         | -138,503                     | -160,808          |
| 30                            | Income payments on foreign-owned assets in the United States .....                           | -153,421       | -179,945          | -43,325  | -47,227  | -46,096          | -43,297         | -138,243                     | -160,548          |
| 31                            | Direct investment payments .....   | -42,495        | -45,865           | -11,890  | -13,815  | -11,569          | -8,591          | -36,962                      | -40,451           |
| 32                            | Other private payments .....   | -70,217        | -91,344           | -20,598  | -22,647  | -23,878          | -24,221         | -63,702                      | -80,451           |
| 33                            | U.S. Government payments .....   | -40,709        | -42,736           | -10,837  | -10,765  | -10,649          | -10,485         | -37,579                      | -39,646           |
| 34                            | Compensation of employees .....  | -322           | -324              | -86      | -76      | -72              | -90             | -260                         | -260              |
| 35                            | Unilateral current transfers, net .....  | -1,077         | -1,416            | -395     | -251     | -361             | -409            | 252                          | -87               |
| 36                            | U.S. Government grants <sup>4</sup> .....  | -676           | -618              | -166     | -134     | -127             | -191            | -10                          | -1                |
| 37                            | U.S. Government pensions and other transfers .....   | -1,381         | -1,446            | -351     | -341     | -352             | -402            | -1,187                       | -1,237            |
| 38                            | Private remittances and other transfers <sup>6</sup> .....                                   | 980            | 648               | 122      | 224      | 118              | 184             | 1,449                        | 1,151             |
| Capital and financial account |  |                |                   |          |          |                  |                 |                              |                   |
| Capital account               |  |                |                   |          |          |                  |                 |                              |                   |
| 39                            | Capital account transactions, net .....  | 96             | 147               | 37       | 37       | 37               | 36              | 134                          | 137               |
| Financial account             |  |                |                   |          |          |                  |                 |                              |                   |
| 40                            | U.S.-owned assets abroad, net (increase/financial outflow (-)) .....                         | -276,996       | -359,065          | -149,764 | -40,716  | -95,413          | -73,172         | -239,284                     | -332,351          |
| 41                            | U.S. official reserve assets, net .....  | 5,477          | -6,013            | -379     | -310     | -4,124           | -1,200          | -2,257                       | -1,187            |
| 42                            | Gold <sup>7</sup> .....  |                |                   |          |          |                  |                 |                              |                   |
| 43                            | Special drawing rights .....   |                |                   |          |          |                  |                 |                              |                   |
| 44                            | Reserve position in the International Monetary Fund .....                                    |                |                   |          |          |                  |                 |                              |                   |
| 45                            | Foreign currencies .....   | 5,477          | -6,013            | -379     | -310     | -4,124           | -1,200          | -2,257                       | -1,187            |
| 46                            | U.S. Government assets, other than official reserve assets, net .....                        | 504            | 521               | 256      | 28       | 14               | 223             | 244                          | 436               |
| 47                            | U.S. credits and other long-term assets .....  | -335           | -451              | -73      | -39      | -308             | -31             | -275                         | -219              |
| 48                            | Repayments on U.S. credits and other long-term assets <sup>8</sup> .....                     | 928            | 945               | 295      | 85       | 311              | 254             | 590                          | 627               |
| 49                            | U.S. foreign currency holdings and U.S. short-term assets, net .....                         | -89            | 27                | 34       | -18      | 11               |                 | -71                          | 28                |
| 50                            | U.S. private assets, net .....   | -282,977       | -353,573          | -149,641 | -40,434  | -91,303          | -72,195         | -237,271                     | -331,600          |
| 51                            | Direct investment .....  | -70,907        | -90,230           | -29,237  | -19,974  | -23,947          | -17,072         | -58,212                      | -83,177           |
| 52                            | Foreign securities .....   | -52,588        | -99,795           | -9,730   | -33,860  | -34,290          | -21,915         | -57,510                      | -86,510           |
| 53                            | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....            | -54,231        | -64,832           | -26,331  | -17,651  | -20,850          |                 | -52,723                      | -67,452           |
| 54                            | U.S. claims reported by U.S. banks, not included elsewhere .....                             | -105,251       | -98,716           | -84,343  | 31,051   | -12,216          | -33,208         | -68,826                      | -94,461           |
| 55                            | Foreign-owned assets in the United States, net (increase/financial inflow (+)) .....         | 487,998        | 592,308           | 190,802  | 136,786  | 151,075          | 113,645         | 446,550                      | 512,566           |
| 56                            | Foreign official assets in the United States, net .....                                      | -15,231        | -6,446            | 1,661    | 2,228    | -656             | -9,679          | (18)                         | (18)              |
| 57                            | U.S. Government securities .....   | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | (18)                         | (18)              |
| 58                            | U.S. Treasury securities <sup>9</sup> .....  | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | (18)                         | (18)              |
| 59                            | Other <sup>10</sup> .....  | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | (18)                         | (18)              |
| 60                            | Other U.S. Government liabilities <sup>11</sup> .....  | -1,489         | -1,058            | -432     | -209     | -185             | -232            | -530                         | -264              |
| 61                            | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | (18)                         | (18)              |
| 62                            | Other foreign official assets <sup>12</sup> .....  | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | (18)                         | (18)              |
| 63                            | Other foreign assets in the United States, net .....   | 503,229        | 598,754           | 189,141  | 134,558  | 151,731          | 123,324         | (18)                         | (18)              |
| 64                            | Direct investment .....  | 233,626        | 248,815           | 34,952   | 80,869   | 62,489           | 70,505          | 228,078                      | 220,697           |
| 65                            | U.S. Treasury securities .....   | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | (18)                         | (18)              |
| 66                            | U.S. securities other than U.S. Treasury securities .....                                    | 226,061        | 329,504           | 102,565  | 67,112   | 80,878           | 78,949          | 215,821                      | 314,808           |
| 67                            | U.S. currency .....  |                |                   |          |          |                  |                 |                              |                   |
| 68                            | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....       | 55,107         | 59,430            | 58,425   | 933      | 72               |                 | 46,451                       | 37,600            |
| 69                            | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | (17)           | (17)              | (17)     | (17)     | (17)             | (17)            | 18 -43,270                   | 18 -60,275        |
| 70                            | Statistical discrepancy (sum of above items with sign reversed) .....                        | -142,765       | -155,254          | -24,822  | -74,556  | -32,858          | -23,018         | -147,028                     | -112,155          |
| Memoranda:                    |  |                |                   |          |          |                  |                 |                              |                   |
| 71                            | Balance on goods (lines 3 and 20) .....  | -52,238        | -65,043           | -14,687  | -15,285  | -17,631          | -17,440         | -45,620                      | -57,585           |
| 72                            | Balance on services (lines 4 and 21) .....   | 18,746         | 16,451            | 5,407    | 2,480    | 3,189            | 5,375           | 17,679                       | 16,464            |
| 73                            | Balance on goods and services (lines 2 and 19) .....   | -33,492        | -48,592           | -9,280   | -12,805  | -14,442          | -12,065         | -27,941                      | -41,121           |
| 74                            | Balance on income (lines 12 and 29) .....  | -33,764        | -28,128           | -6,578   | -8,495   | -8,038           | -5,017          | -32,683                      | -26,989           |
| 75                            | Unilateral current transfers, net (line 35) .....  | -1,077         | -1,416            | -395     | -251     | -361             | -409            | 252                          | -87               |
| 76                            | Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup> ..... | -68,333        | -78,136           | -16,253  | -21,551  | -22,841          | -17,491         | -60,372                      | -68,197           |

See footnotes on page 68.

**Transactions, by Area**  
 of dollars]

| European Union <sup>14</sup> |          |                  |                 | United Kingdom |                   |         |         |                  |                 | European Union (6) <sup>15</sup> |                   |         |         |                  |                 | Line |
|------------------------------|----------|------------------|-----------------|----------------|-------------------|---------|---------|------------------|-----------------|----------------------------------|-------------------|---------|---------|------------------|-----------------|------|
| 2000                         |          |                  |                 | 1999           | 2000 <sup>P</sup> | 2000    |         |                  |                 | 1999                             | 2000 <sup>P</sup> | 2000    |         |                  |                 |      |
| I                            | II       | III <sup>r</sup> | IV <sup>P</sup> |                |                   | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |                                  |                   | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |      |
| 93,199                       | 98,064   | 98,389           | 101,639         | 108,060        | 130,399           | 31,984  | 33,066  | 32,008           | 33,341          | 179,061                          | 197,617           | 46,714  | 48,950  | 50,363           | 51,590          | 1    |
| 60,474                       | 64,040   | 64,652           | 68,306          | 64,988         | 71,644            | 17,178  | 17,774  | 17,596           | 19,096          | 130,427                          | 141,041           | 32,993  | 34,708  | 35,887           | 37,453          | 2    |
| 38,838                       | 40,529   | 39,344           | 43,608          | 37,321         | 40,918            | 10,030  | 10,097  | 9,600            | 11,191          | 87,485                           | 95,540            | 22,753  | 23,400  | 23,638           | 25,749          | 3    |
| 21,636                       | 23,511   | 25,308           | 24,698          | 27,667         | 30,726            | 7,148   | 7,677   | 7,996            | 7,905           | 42,942                           | 45,501            | 10,240  | 11,308  | 12,249           | 11,704          | 4    |
| 592                          | 617      | 607              | 632             | 404            | 365               | 90      | 93      | 92               | 90              | 979                              | 889               | 209     | 218     | 214              | 248             | 5    |
| 4,922                        | 6,478    | 7,698            | 6,525           | 8,398          | 9,943             | 1,979   | 2,541   | 2,888            | 2,535           | 10,197                           | 11,309            | 2,070   | 2,790   | 3,590            | 2,859           | 6    |
| 1,326                        | 1,725    | 2,128            | 1,860           | 2,535          | 2,728             | 508     | 678     | 775              | 767             | 3,390                            | 3,515             | 663     | 847     | 1,110            | 895             | 7    |
| 1,849                        | 1,940    | 2,168            | 1,970           | 1,719          | 1,855             | 419     | 460     | 509              | 467             | 3,676                            | 4,163             | 972     | 999     | 1,154            | 1,038           | 8    |
| 4,261                        | 4,214    | 4,088            | 4,537           | 3,518          | 3,444             | 947     | 799     | 804              | 894             | 9,881                            | 8,730             | 2,265   | 2,279   | 1,960            | 2,226           | 9    |
| 8,650                        | 8,499    | 8,578            | 9,133           | 11,055         | 12,361            | 3,198   | 3,099   | 2,920            | 3,144           | 14,751                           | 16,789            | 4,037   | 4,149   | 4,193            | 4,410           | 10   |
| 36                           | 38       | 41               | 41              | 38             | 30                | 7       | 7       | 8                | 8               | 68                               | 106               | 24      | 26      | 28               | 28              | 11   |
| 32,725                       | 34,024   | 33,737           | 33,333          | 43,072         | 58,755            | 14,806  | 15,292  | 14,412           | 14,245          | 48,634                           | 56,576            | 13,721  | 14,242  | 14,476           | 14,137          | 12   |
| 32,690                       | 33,988   | 33,703           | 33,298          | 43,004         | 58,685            | 14,789  | 15,274  | 14,395           | 14,227          | 48,574                           | 56,522            | 13,707  | 14,228  | 14,463           | 14,124          | 13   |
| 14,247                       | 14,542   | 13,837           | 13,369          | 14,464         | 22,677            | 6,141   | 6,300   | 5,107            | 5,129           | 24,972                           | 25,412            | 6,386   | 6,358   | 6,613            | 6,055           | 14   |
| 18,232                       | 19,313   | 19,662           | 19,751          | 28,519         | 35,984            | 8,648   | 8,974   | 9,288            | 9,074           | 23,164                           | 30,587            | 7,186   | 7,753   | 7,718            | 7,930           | 15   |
| 211                          | 133      | 204              | 178             | 21             | 24                | .....   | .....   | .....            | 24              | 438                              | 523               | 135     | 117     | 132              | 139             | 16   |
| 35                           | 36       | 34               | 35              | 68             | 70                | 17      | 18      | 17               | 18              | 60                               | 54                | 14      | 14      | 13               | 13              | 17   |
| -108,057                     | -117,476 | -117,408         | -116,460        | -142,631       | -168,446          | -40,081 | -42,513 | -43,874          | -41,978         | -205,092                         | -224,186          | -53,725 | -57,966 | -56,019          | -56,476         | 18   |
| -68,945                      | -75,317  | -76,323          | -78,008         | -63,300        | -70,005           | -16,866 | -17,714 | -17,603          | -17,822         | -156,078                         | -173,097          | -40,170 | -43,600 | -44,414          | -44,913         | 19   |
| -52,155                      | -54,434  | -54,543          | -58,772         | -38,789        | -43,206           | -10,523 | -10,755 | -10,539          | -11,389         | -121,105                         | -133,268          | -31,997 | -32,910 | -33,406          | -34,955         | 20   |
| -16,790                      | -20,883  | -21,780          | -19,236         | -24,511        | -26,799           | -6,343  | -6,959  | -7,064           | -6,433          | -34,973                          | -39,829           | -8,173  | -10,690 | -11,008          | -9,958          | 21   |
| -1,585                       | -1,520   | -1,628           | -1,660          | -663           | -628              | -158    | -152    | -158             | -160            | -5,324                           | -5,335            | -1,298  | -1,275  | -1,362           | -1,400          | 22   |
| -3,512                       | -6,329   | -6,377           | -4,020          | -5,457         | -6,027            | -1,217  | -1,766  | -1,768           | -1,276          | -9,381                           | -10,364           | -1,758  | -3,384  | -3,204           | -2,018          | 23   |
| -2,212                       | -2,999   | -3,056           | -2,391          | -3,818         | -4,266            | -998    | -1,086  | -1,160           | -1,022          | -4,044                           | -4,515            | -873    | -1,401  | -1,257           | -984            | 24   |
| -2,474                       | -2,757   | -2,979           | -2,934          | -2,507         | -2,878            | -640    | -737    | -767             | -734            | -4,445                           | -5,285            | -1,179  | -1,284  | -1,414           | -1,408          | 25   |
| -1,568                       | -1,501   | -1,667           | -1,920          | -1,749         | -1,578            | -401    | -334    | -397             | -446            | -3,281                           | -3,835            | -848    | -806    | -1,001           | -1,180          | 26   |
| -5,195                       | -5,530   | -5,821           | -6,057          | -10,220        | -11,341           | -2,910  | -2,864  | -2,793           | -2,774          | -7,788                           | -9,692            | -2,020  | -2,341  | -2,567           | -2,764          | 27   |
| -244                         | -247     | -252             | -254            | -97            | -81               | -19     | -20     | -21              | -21             | -710                             | -803              | -197    | -199    | -203             | -204            | 28   |
| -39,112                      | -42,159  | -41,085          | -38,452         | -79,331        | -98,441           | -23,215 | -24,799 | -26,271          | -24,156         | -49,014                          | -51,089           | -13,555 | -14,366 | -11,605          | -11,563         | 29   |
| -39,044                      | -42,097  | -41,026          | -38,381         | -79,248        | -98,355           | -23,193 | -24,778 | -26,251          | -24,133         | -48,861                          | -50,941           | -13,516 | -14,331 | -11,571          | -11,523         | 30   |
| -10,429                      | -12,196  | -10,237          | -7,589          | -12,355        | -16,538           | -3,892  | -4,350  | -5,166           | -3,130          | -21,667                          | -21,243           | -6,218  | -6,961  | -4,101           | -3,963          | 31   |
| -18,615                      | -19,901  | -20,896          | -21,039         | -45,660        | -59,438           | -13,587 | -14,744 | -15,541          | -15,566         | -14,944                          | -16,899           | -4,040  | -4,141  | -4,299           | -4,419          | 32   |
| -10,000                      | -10,000  | -9,893           | -9,753          | -21,233        | -22,379           | -5,714  | -5,684  | -5,544           | -5,437          | -12,250                          | -12,799           | -3,258  | -3,229  | -3,171           | -3,141          | 33   |
| -68                          | -62      | -59              | -71             | -83            | -86               | -22     | -21     | -20              | -23             | -153                             | -148              | -39     | -35     | -34              | -40             | 34   |
| -44                          | 25       | -58              | -10             | 1,509          | 1,269             | 290     | 328     | 318              | 333             | -189                             | -237              | -49     | -31     | -88              | -69             | 35   |
| -1                           | .....    | .....            | .....           | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 36   |
| -304                         | -308     | -311             | -314            | -206           | -212              | -53     | -54     | -54              | -51             | -651                             | -684              | -167    | -169    | -169             | -179            | 37   |
| 261                          | 333      | 253              | 304             | 1,715          | 1,481             | 343     | 382     | 372              | 384             | 462                              | 447               | 118     | 138     | 81               | 110             | 38   |
| 35                           | 34       | 34               | 34              | 48             | 49                | 13      | 12      | 12               | 12              | 62                               | 64                | 16      | 16      | 16               | 16              | 39   |
| -108,889                     | -68,001  | -76,767          | -78,694         | -150,080       | -209,257          | -63,862 | -52,957 | -50,626          | -41,812         | -83,922                          | -83,149           | -28,772 | -11,204 | -18,706          | -24,467         | 40   |
| -100                         | -79      | -619             | -389            | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 41   |
| .....                        | .....    | .....            | .....           | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 42   |
| .....                        | .....    | .....            | .....           | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 43   |
| -100                         | -79      | -619             | -389            | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 44   |
| .....                        | .....    | .....            | .....           | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 45   |
| 193                          | 16       | 55               | 172             | 121            | 138               | 11      | -6      | .....            | 133             | -47                              | 28                | 19      | -1      | 2                | 8               | 46   |
| -29                          | -11      | -171             | -8              | .....          | .....             | .....   | .....   | .....            | .....           | .....                            | .....             | .....   | .....   | .....            | .....           | 47   |
| 189                          | 33       | 225              | 180             | 136            | 133               | .....   | .....   | .....            | 133             | .....                            | 8                 | .....   | .....   | .....            | 8               | 48   |
| 33                           | -6       | 1                | .....           | -15            | 5                 | 11      | -6      | .....            | .....           | -47                              | 20                | 19      | -1      | 2                | .....           | 49   |
| -108,982                     | -67,938  | -76,203          | -78,477         | -150,201       | -209,395          | -63,873 | -52,951 | -50,626          | -41,945         | -83,875                          | -83,177           | -28,791 | -11,203 | -18,708          | -24,475         | 50   |
| -27,579                      | -17,707  | -22,606          | -15,285         | -29,824        | -40,962           | -11,496 | -9,409  | -13,598          | -6,459          | -19,099                          | -28,871           | -11,830 | -4,256  | -6,055           | -6,730          | 51   |
| -9,913                       | -32,727  | -30,668          | -13,202         | -51,843        | -77,692           | -11,998 | -27,051 | -22,431          | -16,212         | -9,885                           | -13,005           | 2,457   | -8,960  | -10,034          | 3,532           | 52   |
| -24,925                      | -17,971  | -24,556          | .....           | -32,101        | -42,818           | -26,790 | -8,389  | -7,639           | .....           | -20,543                          | -20,144           | 4,155   | -10,631 | -13,668          | .....           | 53   |
| -46,565                      | 467      | 1,627            | -49,990         | -36,433        | -47,923           | -13,589 | -8,102  | -6,958           | -19,274         | -34,348                          | -21,157           | -23,573 | 12,644  | 11,049           | -21,277         | 54   |
| 144,178                      | 130,288  | 121,162          | 116,938         | 273,884        | 263,162           | 91,843  | 66,051  | 55,680           | 49,588          | 172,478                          | 196,156           | 38,956  | 54,086  | 46,523           | 56,591          | 55   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 56   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 57   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 58   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 59   |
| -238                         | -11      | -54              | 39              | -389           | -240              | -84     | -88     | -86              | 18              | 33                               | -16               | -39     | -16     | 22               | 17              | 60   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 61   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 62   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 63   |
| 34,339                       | 73,219   | 57,965           | 55,174          | 116,604        | 73,193            | 8,225   | 34,680  | 16,606           | 13,682          | 102,845                          | 123,088           | 23,848  | 35,331  | 32,828           | 31,081          | 64   |
| (18)                         | (18)     | (18)             | (18)            | (18)           | (18)              | (18)    | (18)    | (18)             | (18)            | (18)                             | (18)              | (18)    | (18)    | (18)             | (18)            | 65   |
| 93,428                       | 65,660   | 76,451           | 79,269          | 146,6,         |                   |         |         |                  |                 |                                  |                   |         |         |                  |                 |      |

Table 10.—U.S. International  
[Millions]

| Line                          | (Credits +; debits -) <sup>1</sup>   | Eastern Europe |                   |          |         |                  |                 | Canada   |                   |
|-------------------------------|--|----------------|-------------------|----------|---------|------------------|-----------------|----------|-------------------|
|                               |  | 1999           | 2000 <sup>P</sup> | 2000     |         |                  |                 | 1999     | 2000 <sup>P</sup> |
|                               |  |                |                   | I        | II      | III <sup>r</sup> | IV <sup>P</sup> |          |                   |
| Current account               |  |                |                   |          |         |                  |                 |          |                   |
| 1                             | Exports of goods and services and income receipts .....                                      | 12,182         | 14,816            | 3,606    | 3,620   | 3,756            | 3,834           | 209,897  | 227,813           |
| 2                             | Exports of goods and services .....  | 9,523          | 10,468            | 2,685    | 2,381   | 2,683            | 2,719           | 187,873  | 201,440           |
| 3                             | Goods, balance of payments basis <sup>2</sup> .....  | 5,560          | 6,124             | 1,646    | 1,305   | 1,490            | 1,683           | 166,533  | 178,924           |
| 4                             | Services <sup>3</sup> .....  | 3,963          | 4,344             | 1,039    | 1,076   | 1,193            | 1,036           | 21,340   | 22,516            |
| 5                             | Transfers under U.S. military agency sales contracts <sup>4</sup> .....                      | 344            | 345               | 87       | 71      | 138              | 49              | 115      | 106               |
| 6                             | Travel .....   | 1,184          | 1,359             | 283      | 361     | 393              | 322             | 6,670    | 6,982             |
| 7                             | Passenger fares .....  | 78             | 84                | 19       | 23      | 19               | 23              | 1,540    | 1,620             |
| 8                             | Other transportation .....   | 344            | 353               | 56       | 133     | 80               | 84              | 2,479    | 2,683             |
| 9                             | Royalties and license fees <sup>5</sup> .....  | 267            | 292               | 68       | 69      | 72               | 83              | 1,696    | 1,942             |
| 10                            | Other private services <sup>5</sup> .....  | 1,705          | 1,860             | 513      | 407     | 478              | 462             | 8,749    | 9,109             |
| 11                            | U.S. Government miscellaneous services .....   | 41             | 51                | 13       | 12      | 13               | 13              | 91       | 74                |
| 12                            | Income receipts .....  | 2,659          | 4,348             | 921      | 1,239   | 1,073            | 1,115           | 22,024   | 26,373            |
| 13                            | Income receipts on U.S.-owned assets abroad .....  | 2,639          | 4,328             | 916      | 1,234   | 1,068            | 1,110           | 21,948   | 26,294            |
| 14                            | Direct investment receipts .....   | 448            | 1,676             | 317      | 350     | 460              | 549             | 11,102   | 13,902            |
| 15                            | Other private receipts .....   | 2,047          | 2,179             | 554      | 546     | 538              | 541             | 10,846   | 12,392            |
| 16                            | U.S. Government receipts .....   | 144            | 473               | 45       | 338     | 70               | 20              |          |                   |
| 17                            | Compensation of employees .....  | 20             | 20                | 5        | 5       | 5                | 5               | 76       | 79                |
| 18                            | Imports of goods and services and income payments .....                                      | -16,220        | -21,685           | -5,029   | -5,170  | -6,115           | -5,371          | -224,395 | -258,911          |
| 19                            | Imports of goods and services .....  | -14,526        | -19,043           | -4,501   | -4,535  | -5,407           | -4,600          | -216,796 | -248,585          |
| 20                            | Goods, balance of payments basis <sup>2</sup> .....  | -11,813        | -16,098           | -4,018   | -3,682  | -4,443           | -3,955          | -201,268 | -232,039          |
| 21                            | Services <sup>3</sup> .....  | -2,713         | -2,945            | -483     | -853    | -964             | -645            | -15,528  | -16,546           |
| 22                            | Direct defense expenditures .....  | -169           | -120              | -41      | -20     | -29              | -30             | -72      | -72               |
| 23                            | Travel .....   | -1,274         | -1,409            | -166     | -402    | -554             | -287            | -6,135   | -6,309            |
| 24                            | Passenger fares .....  | -370           | -415              | -55      | -165    | -122             | -73             | -712     | -804              |
| 25                            | Other transportation .....   | -229           | -251              | -49      | -76     | -65              | -61             | -3,224   | -3,570            |
| 26                            | Royalties and license fees <sup>5</sup> .....  | -10            | -68               | -11      | -24     | -16              | -17             | -607     | -1,035            |
| 27                            | Other private services <sup>5</sup> .....  | -586           | -626              | -147     | -152    | -164             | -163            | -4,543   | -4,550            |
| 28                            | U.S. Government miscellaneous services .....   | -75            | -56               | -14      | -14     | -14              | -14             | -235     | -206              |
| 29                            | Income payments .....  | -1,694         | -2,642            | -528     | -635    | -708             | -771            | -7,599   | -10,326           |
| 30                            | Income payments on foreign-owned assets in the United States .....                           | -1,622         | -2,567            | -507     | -618    | -692             | -750            | -7,287   | -10,002           |
| 31                            | Direct investment payments .....   | -9             | -128              | -9       | -32     | -46              | -41             | -1,482   | -2,127            |
| 32                            | Other private payments .....   | -400           | -1,022            | -182     | -253    | -275             | -312            | -4,661   | -5,912            |
| 33                            | U.S. Government payments .....   | -1,213         | -1,417            | -316     | -333    | -371             | -397            | -1,144   | -1,963            |
| 34                            | Compensation of employees .....  | -72            | -75               | -21      | -17     | -16              | -21             | -312     | -324              |
| 35                            | Unilateral current transfers, net .....  | -4,089         | -3,746            | -945     | -948    | -1,033           | -820            | -643     | -686              |
| 36                            | U.S. Government grants <sup>4</sup> .....  | -2,393         | -1,864            | -465     | -501    | -547             | -351            |          |                   |
| 37                            | U.S. Government pensions and other transfers .....   | -47            | -46               | -12      | -12     | -12              | -10             | -482     | -508              |
| 38                            | Private remittances and other transfers <sup>6</sup> .....                                   | -1,649         | -1,836            | -468     | -435    | -474             | -459            | -161     | -178              |
| Capital and financial account |  |                |                   |          |         |                  |                 |          |                   |
| Capital account               |  |                |                   |          |         |                  |                 |          |                   |
| 39                            | Capital account transactions, net .....  | 25             | 26                | 7        | 6       | 6                | 7               | 87       | 111               |
| Financial account             |  |                |                   |          |         |                  |                 |          |                   |
| 40                            | U.S.-owned assets abroad, net (increase/financial outflow (-)) .....                         | -1,652         | -109              | -231     | -996    | 1,345            | -227            | -5,066   | -36,253           |
| 41                            | U.S. official reserve assets, net .....  |                |                   |          |         |                  |                 |          |                   |
| 42                            | Gold <sup>7</sup> .....  |                |                   |          |         |                  |                 |          |                   |
| 43                            | Special drawing rights .....   |                |                   |          |         |                  |                 |          |                   |
| 44                            | Reserve position in the International Monetary Fund .....                                    |                |                   |          |         |                  |                 |          |                   |
| 45                            | Foreign currencies .....   |                |                   |          |         |                  |                 |          |                   |
| 46                            | U.S. Government assets, other than official reserve assets, net .....                        | -301           | -423              | -73      | -418    | 10               | 58              |          |                   |
| 47                            | U.S. credits and other long-term assets .....  | -1,550         | -578              | -95      | -454    | -17              | -12             |          |                   |
| 48                            | Repayments on U.S. credits and other long-term assets <sup>8</sup> .....                     | 1,276          | 153               | 22       | 31      | 30               | 70              |          |                   |
| 49                            | U.S. foreign currency holdings and U.S. short-term assets, net .....                         | -27            | 2                 |          | 5       | -3               |                 |          |                   |
| 50                            | U.S. private assets, net .....   | -1,351         | 314               | -158     | -578    | 1,335            | -285            | -5,066   | -36,253           |
| 51                            | Direct investment .....  | -1,183         | -249              | -903     | -283    | 1,383            | -446            | -14,268  | -16,655           |
| 52                            | Foreign securities .....   | -230           | -149              | -108     | -269    | -221             | 449             | -5,570   | -13,879           |
| 53                            | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....            | 27             | -43               | -73      | -28     | 58               |                 | -4,354   | -2,294            |
| 54                            | U.S. claims reported by U.S. banks, not included elsewhere .....                             | 35             | 755               | 926      | 2       | 115              | -288            | 19,126   | -3,425            |
| 55                            | Foreign-owned assets in the United States, net (increase/financial inflow (+)) .....         | 5,311          | 17,598            | 4,821    | 862     | 5,160            | 6,755           | 29,118   | 46,907            |
| 56                            | Foreign official assets in the United States, net .....                                      | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | 1,953    | -140              |
| 57                            | U.S. Government securities .....   | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | (17)     | (17)              |
| 58                            | U.S. Treasury securities <sup>9</sup> .....  | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | (17)     | (17)              |
| 59                            | Other <sup>10</sup> .....  | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | (17)     | (17)              |
| 60                            | Other U.S. Government liabilities <sup>11</sup> .....  | 438            | 387               | 113      | 137     | 123              | 14              | 2        | -31               |
| 61                            | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | (17)     | (17)              |
| 62                            | Other foreign official assets <sup>12</sup> .....  | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | (17)     | (17)              |
| 63                            | Other foreign assets in the United States, net .....   | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | 27,165   | 47,047            |
| 64                            | Direct investment .....  | 922            | 2,022             | 660      | 796     | 207              | 359             | 12,229   | 28,951            |
| 65                            | U.S. Treasury securities .....   | (18)           | (18)              | (18)     | (18)    | (18)             | (18)            | (17)     | (17)              |
| 66                            | U.S. securities other than U.S. Treasury securities .....                                    | -188           | 1,269             | 84       | 149     | -44              | 1,080           | 2,601    | 18,122            |
| 67                            | U.S. currency .....  |                |                   |          |         |                  |                 |          |                   |
| 68                            | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....       | 167            | -158              | 42       | -82     | -118             |                 | -1,459   | 1,470             |
| 69                            | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | 18 3,972       | 18 14,078         | 18 3,922 | 18 -138 | 18 4,992         | 18 5,302        | (17)     | (17)              |
| 70                            | Statistical discrepancy (sum of above items with sign reversed) .....                        | 4,443          | -6,900            | -2,229   | 2,626   | -3,119           | -4,178          | -8,998   | 21,019            |
| Memoranda:                    |  |                |                   |          |         |                  |                 |          |                   |
| 71                            | Balance on goods (lines 3 and 20) .....  | -6,253         | -9,974            | -2,372   | -2,377  | -2,953           | -2,272          | -34,735  | -53,115           |
| 72                            | Balance on services (lines 4 and 21) .....   | 1,250          | 1,399             | 556      | 223     | 229              | 391             | 5,812    | 5,970             |
| 73                            | Balance on goods and services (lines 2 and 19) .....   | -5,003         | -8,575            | -1,816   | -2,154  | -2,724           | -1,881          | -28,923  | -47,145           |
| 74                            | Balance on income (lines 12 and 29) .....  | 965            | 1,706             | 393      | 604     | 365              | 344             | 14,425   | 16,047            |
| 75                            | Unilateral current transfers, net (line 35) .....  | -4,089         | -3,746            | -945     | -948    | -1,033           | -820            | -643     | -686              |
| 76                            | Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup> ..... | -8,127         | -10,615           | -2,368   | -2,498  | -3,392           | -2,357          | -15,141  | -31,784           |

See footnotes on page 68.

Transactions, by Area—Continued  
of dollars]

| Canada  |         |                  |                 | Latin America and Other Western Hemisphere |                   |         |         |                  |                 | Japan    |                   |         |         |                  |                 | Line |
|---------|---------|------------------|-----------------|--|-------------------|---------|---------|------------------|-----------------|----------|-------------------|---------|---------|------------------|-----------------|------|
| 2000    |         |                  |                 | 1999                                       | 2000 <sup>P</sup> | 2000    |         |                  |                 | 1999     | 2000 <sup>P</sup> | 2000    |         |                  |                 |      |
| I       | II      | III <sup>r</sup> | IV <sup>P</sup> |  |                   | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |          |                   | I       | II      | III <sup>r</sup> | IV <sup>P</sup> |      |
| 57,649  | 59,423  | 54,303           | 56,438          | 254,340                                    | 303,346           | 69,448  | 75,075  | 79,346           | 79,477          | 98,034   | 111,989           | 26,458  | 26,993  | 28,909           | 29,629          | 1    |
| 51,561  | 52,456  | 47,852           | 49,571          | 191,921                                    | 227,699           | 52,260  | 55,982  | 59,936           | 59,521          | 88,039   | 98,878            | 23,747  | 23,709  | 25,552           | 25,870          | 2    |
| 45,587  | 46,714  | 42,331           | 44,292          | 141,310                                    | 170,508           | 39,310  | 42,066  | 44,083           | 45,049          | 56,352   | 64,010            | 15,366  | 15,612  | 16,034           | 16,998          | 3    |
| 5,974   | 5,742   | 5,521            | 5,279           | 50,611                                     | 57,191            | 12,950  | 13,916  | 15,853           | 14,472          | 31,687   | 34,868            | 8,381   | 8,097   | 9,518            | 8,872           | 4    |
| 26      | 27      | 27               | 26              | 619  | 819               | 212     | 188     | 239              | 180             | 1,157    | 978               | 240     | 251     | 246              | 241             | 5    |
| 1,978   | 1,953   | 1,673            | 1,378           | 19,799                                     | 22,623            | 4,684   | 5,404   | 6,700            | 5,835           | 9,711    | 11,005            | 2,441   | 2,392   | 3,335            | 2,837           | 6    |
| 487     | 409     | 401              | 323             | 5,455                                      | 5,896             | 1,356   | 1,466   | 1,623            | 1,451           | 3,585    | 4,010             | 993     | 910     | 1,131            | 976             | 7    |
| 648     | 678     | 687              | 670             | 3,368                                      | 3,538             | 796     | 857     | 994              | 891             | 3,089    | 3,429             | 806     | 852     | 918              | 853             | 8    |
| 447     | 480     | 484              | 531             | 2,721                                      | 3,076             | 698     | 745     | 783              | 850             | 6,053    | 6,661             | 1,594   | 1,644   | 1,647            | 1,776           | 9    |
| 2,373   | 2,177   | 2,229            | 2,330           | 18,453                                     | 21,074            | 5,163   | 5,215   | 5,473            | 5,223           | 8,059    | 8,723             | 2,293   | 2,033   | 2,225            | 2,172           | 10   |
| 15      | 18      | 20               | 21              | 196  | 165               | 41      | 41      | 41               | 42              | 33       | 62                | 14      | 15      | 16               | 17              | 11   |
| 6,088   | 6,967   | 6,451            | 6,867           | 62,419                                     | 75,647            | 17,188  | 19,093  | 19,410           | 19,956          | 9,995    | 13,111            | 2,711   | 3,284   | 3,357            | 3,759           | 12   |
| 6,067   | 6,948   | 6,431            | 6,848           | 62,295                                     | 75,518            | 17,156  | 19,061  | 19,377           | 19,924          | 9,987    | 13,103            | 2,709   | 3,282   | 3,355            | 3,757           | 13   |
| 3,102   | 3,777   | 3,302            | 3,721           | 18,580                                     | 18,968            | 4,228   | 4,946   | 4,857            | 4,937           | 4,103    | 7,426             | 1,410   | 1,846   | 1,853            | 2,317           | 14   |
| 2,965   | 3,171   | 3,129            | 3,127           | 43,300                                     | 56,169            | 12,836  | 14,012  | 14,409           | 14,912          | 5,869    | 5,656             | 1,297   | 1,425   | 1,501            | 1,433           | 15   |
| .....   | .....   | .....            | .....           | 415  | 381               | 92      | 103     | 111              | 75              | 15       | 21                | 2       | 11      | 1                | 7               | 16   |
| 21      | 19      | 20               | 19              | 124  | 129               | 32      | 32      | 33               | 32              | 8        | 8                 | 2       | 2       | 2                | 2               | 17   |
| -63,171 | -65,946 | -63,887          | -65,907         | -256,983                                   | -317,812          | -74,005 | -78,392 | -83,127          | -82,288         | -185,592 | -210,369          | -50,363 | -52,593 | -52,781          | -54,632         | 18   |
| -60,524 | -63,066 | -61,698          | -63,297         | -202,209                                   | -247,345          | -58,220 | -60,908 | -64,753          | -63,464         | -147,995 | -165,387          | -39,068 | -41,313 | -41,608          | -43,998         | 19   |
| -57,105 | -58,906 | -56,345          | -59,683         | -169,069                                   | -210,057          | -49,353 | -52,121 | -54,663          | -53,920         | -130,877 | -146,477          | -34,684 | -36,515 | -36,618          | -38,660         | 20   |
| -3,419  | -4,160  | -5,353           | -3,614          | -33,140                                    | -37,288           | -8,867  | -8,787  | -10,090          | -9,544          | -17,118  | -18,910           | -4,384  | -4,798  | -4,990           | -4,738          | 21   |
| -18     | -16     | -18              | -20             | -300                                       | -269              | -27     | -63     | -99              | -80             | -1,332   | -1,349            | -308    | -322    | -369             | -350            | 22   |
| -1,009  | -1,590  | -2,691           | -1,019          | -16,403                                    | -18,073           | -4,452  | -4,171  | -4,973           | -4,477          | -2,845   | -3,142            | -694    | -919    | -825             | -704            | 23   |
| -169    | -232    | -256             | -147            | -3,039                                     | -3,404            | -874    | -783    | -936             | -811            | -858     | -958              | -201    | -266    | -252             | -239            | 24   |
| -873    | -916    | -904             | -877            | -2,607                                     | -3,136            | -765    | -769    | -792             | -810            | -4,986   | -5,690            | -1,298  | -1,383  | -1,548           | -1,461          | 25   |
| -216    | -250    | -284             | -285            | -1,052                                     | -1,107            | -260    | -269    | -287             | -291            | -3,162   | -3,761            | -868    | -945    | -978             | -970            | 26   |
| -1,083  | -1,105  | -1,148           | -1,214          | -9,243                                     | -10,775           | -2,358  | -2,601  | -2,872           | -2,944          | -3,842   | -3,872            | -979    | -930    | -984             | -979            | 27   |
| -51     | -51     | -52              | -52             | -496                                       | -524              | -131    | -131    | -131             | -131            | -93      | -138              | -36     | -33     | -34              | -35             | 28   |
| -2,647  | -2,880  | -2,189           | -2,610          | -54,774                                    | -70,467           | -15,785 | -17,484 | -18,374          | -18,824         | -37,597  | -44,982           | -11,295 | -11,280 | -11,173          | -11,234         | 29   |
| -2,563  | -2,801  | -2,111           | -2,527          | -48,470                                    | -63,935           | -14,330 | -15,901 | -16,631          | -17,073         | -37,521  | -44,905           | -11,272 | -11,264 | -11,159          | -11,210         | 30   |
| -850    | -586    | -128             | -563            | -1,156                                     | -979              | -259    | -390    | -200             | -130            | -5,893   | -7,427            | -2,238  | -2,098  | -1,634           | -1,457          | 31   |
| -1,321  | -1,724  | -1,457           | -1,410          | -36,793                                    | -50,030           | -11,033 | -12,320 | -13,082          | -13,595         | -10,020  | -11,470           | -2,940  | -2,660  | -2,878           | -2,992          | 32   |
| -392    | -491    | -526             | -554            | -10,521                                    | -12,926           | -3,038  | -3,191  | -3,349           | -3,348          | -21,608  | -26,008           | -6,094  | -6,506  | -6,647           | -6,761          | 33   |
| -84     | -79     | -78              | -83             | -6,304                                     | -6,532            | -1,455  | -1,583  | -1,743           | -1,751          | -76      | -77               | -23     | -16     | -14              | -24             | 34   |
| -187    | -154    | -179             | -166            | -14,748                                    | -15,779           | -3,858  | -3,888  | -4,060           | -3,973          | -239     | -243              | -97     | -42     | -65              | -39             | 35   |
| .....   | .....   | .....            | .....           | -1,797                                     | -1,874            | -427    | -501    | -539             | -407            | .....    | .....             | .....   | .....   | .....            | .....           | 36   |
| -124    | -124    | -126             | -134            | -697                                       | -752              | -181    | -169    | -178             | -224            | -106     | -109              | -28     | -28     | -29              | -24             | 37   |
| -63     | -30     | -53              | -32             | -12,254                                    | -13,153           | -3,250  | -3,218  | -3,343           | -3,342          | -133     | -134              | -69     | -14     | -36              | -15             | 38   |
| 21      | 24      | 36               | 30              | -3,855                                     | 244               | 64      | 62      | 54               | 64              | 24       | 24                | 6       | 6       | 6                | 6               | 39   |
| -11,940 | -10,607 | 594              | -14,300         | -86,341                                    | -127,687          | -7,161  | -30,787 | 2,748            | -92,487         | -39,513  | 5,142             | 1,391   | 559     | 1,220            | 1,972           | 40   |
| .....   | .....   | .....            | .....           | .....                                      | .....             | .....   | .....   | .....            | .....           | -2,224   | 4,137             | 242     | 182     | 2,660            | 1,053           | 41   |
| .....   | .....   | .....            | .....           | .....                                      | .....             | .....   | .....   | .....            | .....           | .....    | .....             | .....   | .....   | .....            | .....           | 42   |
| .....   | .....   | .....            | .....           | .....                                      | .....             | .....   | .....   | .....            | .....           | .....    | .....             | .....   | .....   | .....            | .....           | 43   |
| .....   | .....   | .....            | .....           | .....                                      | .....             | .....   | .....   | .....            | .....           | -2,224   | 4,137             | 242     | 182     | 2,660            | 1,053           | 44   |
| .....   | .....   | .....            | .....           | .....                                      | .....             | .....   | .....   | .....            | .....           | .....    | .....             | .....   | .....   | .....            | .....           | 45   |
| .....   | .....   | .....            | .....           | 4,390                                      | 200               | 3       | 65      | 125              | 7               | 2        | 36                | 37      | .....   | -1               | .....           | 46   |
| .....   | .....   | .....            | .....           | -1,571                                     | -665              | -209    | -129    | -182             | -145            | .....    | .....             | .....   | .....   | .....            | .....           | 47   |
| .....   | .....   | .....            | .....           | 5,991                                      | 947               | 225     | 206     | 361              | 155             | .....    | .....             | .....   | .....   | .....            | .....           | 48   |
| .....   | .....   | .....            | .....           | -30  | -82               | -13     | -12     | -54              | -3              | 2        | 36                | 37      | .....   | -1               | .....           | 49   |
| -11,940 | -10,607 | 594              | -14,300         | -90,731                                    | -127,887          | -7,164  | -30,852 | 2,623            | -92,494         | -37,291  | 969               | 1,112   | 377     | -1,439           | 919             | 50   |
| -2,889  | -5,237  | -3,857           | -4,672          | -19,523                                    | -17,803           | -3,822  | -6,760  | -2,814           | -4,407          | -10,616  | -6,081            | -671    | -1,782  | -1,355           | -2,273          | 51   |
| -3,789  | -3,252  | 17               | -6,855          | -29,713                                    | -33,244           | -10,673 | -10,257 | -8,983           | -3,331          | -43,580  | 22,587            | -1,475  | 13,730  | 7,679            | 2,653           | 52   |
| 959     | -1      | -3,252           | .....           | -27,430                                    | -77,543           | -27,081 | -15,262 | 14,639           | -49,839         | -4,012   | -8,135            | 2,611   | -6,182  | -4,564           | .....           | 53   |
| -6,221  | -2,117  | 7,686            | -2,773          | -14,065                                    | 703               | 34,412  | 1,427   | -219             | -34,917         | 20,917   | -7,402            | 647     | -5,389  | -3,199           | 539             | 54   |
| 21,284  | 11,228  | 166              | 14,229          | 116,001                                    | 162,266           | 27,666  | 44,939  | 12,319           | 77,342          | 28,081   | 59,835            | -14,083 | 25,293  | 15,990           | 32,635          | 55   |
| 1,162   | -140    | -725             | -437            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 56   |
| (17)    | (17)    | (17)             | (17)            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 57   |
| (17)    | (17)    | (17)             | (17)            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 58   |
| (17)    | (17)    | (17)             | (17)            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 59   |
| -18     | 1       | -4               | -10             | -41  | 23                | -8      | -20     | -19              | 70              | -829     | -625              | -238    | -191    | 28               | -224            | 60   |
| (17)    | (17)    | (17)             | (17)            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 61   |
| (17)    | (17)    | (17)             | (17)            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 62   |
| 20,122  | 11,368  | 891              | 14,666          | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 63   |
| 10,261  | 5,646   | 884              | 12,160          | 16,788                                     | 2,876             | -1,661  | 3,140   | 490              | 907             | 9,529    | 12,711            | -546    | 1,328   | 6,970            | 4,959           | 64   |
| (17)    | (17)    | (17)             | (17)            | (18)                                       | (18)              | (18)    | (18)    | (18)             | (18)            | (18)     | (18)              | (18)    | (18)    | (18)             | (18)            | 65   |
| 5,083   | 2,884   | 3,679            | 6,476           | 62,943                                     | 37,473            | 17,949  | -443    | 15,471           | 4,496           | 22,692   | 41,007            | -1,043  | 6,961   | 16,127           | 18,962          |      |

Table 10.—U.S. International  
[Millions]

| Line | (Credits +; debits -) <sup>1</sup>   | Australia |                   |        |        |                  |                 |
|------|--|-----------|-------------------|--------|--------|------------------|-----------------|
|      |  | 1999      | 2000 <sup>P</sup> | 2000   |        |                  |                 |
|      |  |           |                   | I      | II     | III <sup>r</sup> | IV <sup>r</sup> |
|      | Current account  |           |                   |        |        |                  |                 |
| 1    | Exports of goods and services and income receipts .....                                      | 23,020    | 25,692            | 5,963  | 6,574  | 6,555            | 6,600           |
| 2    | Exports of goods and services .....  | 16,990    | 18,055            | 4,283  | 4,726  | 4,568            | 4,478           |
| 3    | Goods, balance of payments basis <sup>2</sup> .....  | 11,664    | 12,262            | 2,960  | 3,274  | 3,024            | 3,004           |
| 4    | Services <sup>3</sup> .....  | 5,326     | 5,793             | 1,323  | 1,452  | 1,544            | 1,474           |
| 5    | Transfers under U.S. military agency sales contracts <sup>4</sup> .....                      | 296       | 265               | 65     | 68     | 67               | 65              |
| 6    | Travel .....   | 1,735     | 1,968             | 408    | 510    | 557              | 493             |
| 7    | Passenger fares .....  | 520       | 565               | 123    | 145    | 152              | 145             |
| 8    | Other transportation .....   | 360       | 356               | 76     | 84     | 110              | 86              |
| 9    | Royalties and license fees <sup>5</sup> .....  | 723       | 757               | 173    | 192    | 192              | 200             |
| 10   | Other private services <sup>5</sup> .....  | 1,685     | 1,874             | 476    | 451    | 464              | 483             |
| 11   | U.S. Government miscellaneous services .....   | 7         | 8                 | 2      | 2      | 2                | 2               |
| 12   | Income receipts .....  | 6,030     | 7,637             | 1,680  | 1,848  | 1,987            | 2,122           |
| 13   | Income receipts on U.S.-owned assets abroad .....  | 6,026     | 7,633             | 1,679  | 1,847  | 1,986            | 2,121           |
| 14   | Direct investment receipts .....   | 2,495     | 3,837             | 749    | 889    | 1,036            | 1,163           |
| 15   | Other private receipts .....   | 3,531     | 3,796             | 930    | 958    | 950              | 958             |
| 16   | U.S. Government receipts .....   |           |                   |        |        |                  |                 |
| 17   | Compensation of employees .....  | 4         | 4                 | 1      | 1      | 1                | 1               |
| 18   | Imports of goods and services and income payments .....                                      | -9,411    | -11,800           | -2,617 | -2,954 | -3,180           | -3,049          |
| 19   | Imports of goods and services .....  | -8,852    | -10,196           | -2,274 | -2,604 | -2,708           | -2,610          |
| 20   | Goods, balance of payments basis <sup>2</sup> .....  | -5,271    | -6,432            | -1,346 | -1,677 | -1,733           | -1,676          |
| 21   | Services <sup>3</sup> .....  | -3,581    | -3,764            | -928   | -927   | -975             | -934            |
| 22   | Direct defense expenditures .....  | -62       | -82               | -19    | -31    | -16              | -16             |
| 23   | Travel .....   | -1,243    | -1,373            | -352   | -333   | -391             | -297            |
| 24   | Passenger fares .....  | -642      | -717              | -170   | -181   | -151             | -215            |
| 25   | Other transportation .....   | -197      | -225              | -56    | -52    | -62              | -55             |
| 26   | Royalties and license fees <sup>5</sup> .....  | -69       | -94               | -17    | -18    | -30              | -29             |
| 27   | Other private services <sup>5</sup> .....  | -1,326    | -1,237            | -305   | -303   | -316             | -313            |
| 28   | U.S. Government miscellaneous services .....   | -42       | -36               | -9     | -9     | -9               | -9              |
| 29   | Income payments .....  | -559      | -1,604            | -343   | -350   | -472             | -439            |
| 30   | Income payments on foreign-owned assets in the United States .....                           | -551      | -1,596            | -341   | -348   | -470             | -437            |
| 31   | Direct investment payments .....   | 569       | -108              | 7      | -2     | -79              | -34             |
| 32   | Other private payments .....   | -787      | -1,000            | -246   | -232   | -261             | -261            |
| 33   | U.S. Government payments .....   | -333      | -488              | -102   | -114   | -130             | -142            |
| 34   | Compensation of employees .....  | -8        | -8                | -2     | -2     | -2               | -2              |
| 35   | Unilateral current transfers, net .....  | -296      | -289              | -70    | -71    | -75              | -73             |
| 36   | U.S. Government grants <sup>4</sup> .....  |           |                   |        |        |                  |                 |
| 37   | U.S. Government pensions and other transfers .....   | -40       | -42               | -10    | -11    | -11              | -10             |
| 38   | Private remittances and other transfers <sup>6</sup> .....                                   | -256      | -247              | -60    | -60    | -64              | -63             |
|      | Capital and financial account  |           |                   |        |        |                  |                 |
|      | Capital account  |           |                   |        |        |                  |                 |
| 39   | Capital account transactions, net .....  | 8         | 8                 | 2      | 2      | 2                | 2               |
|      | Financial account  |           |                   |        |        |                  |                 |
| 40   | U.S.-owned assets abroad, net (increase/financial outflow (-)) .....                         | -3,520    | -5,292            | -2,732 | 323    | -1,943           | -940            |
| 41   | U.S. official reserve assets, net .....  |           |                   |        |        |                  |                 |
| 42   | Gold <sup>7</sup> .....  |           |                   |        |        |                  |                 |
| 43   | Special drawing rights .....   |           |                   |        |        |                  |                 |
| 44   | Reserve position in the International Monetary Fund .....                                    |           |                   |        |        |                  |                 |
| 45   | Foreign currencies .....   |           |                   |        |        |                  |                 |
| 46   | U.S. Government assets, other than official reserve assets, net .....                        | -1        | 1                 | 1      |        |                  |                 |
| 47   | U.S. credits and other long-term assets .....  |           |                   |        |        |                  |                 |
| 48   | Repayments on U.S. credits and other long-term assets <sup>8</sup> .....                     |           |                   |        |        |                  |                 |
| 49   | U.S. foreign currency holdings and U.S. short-term assets, net .....                         | -1        | 1                 | 1      |        |                  |                 |
| 50   | U.S. private assets, net .....   | -3,519    | -5,293            | -2,733 | 323    | -1,943           | -940            |
| 51   | Direct investment .....  | -4,062    | -941              | -600   | 483    | 105              | -929            |
| 52   | Foreign securities .....   | -1,699    | 991               | 874    | -358   | 526              | -51             |
| 53   | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....            | 58        | -991              | -944   | 2,391  | -2,438           |                 |
| 54   | U.S. claims reported by U.S. banks, not included elsewhere .....                             | 2,184     | -4,352            | -2,063 | -2,193 | -136             | 40              |
| 55   | Foreign-owned assets in the United States, net (increase/financial inflow (+)) .....         | 3,465     | 7,771             | 2,830  | -297   | 2,456            | 2,782           |
| 56   | Foreign official assets in the United States, net .....                                      | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 57   | U.S. Government securities .....   | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 58   | U.S. Treasury securities <sup>9</sup> .....  | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 59   | Other <sup>10</sup> .....  | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 60   | Other U.S. Government liabilities <sup>11</sup> .....  | -49       | -27               | -10    | -31    | 10               | 4               |
| 61   | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 62   | Other foreign official assets <sup>12</sup> .....  | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 63   | Other foreign assets in the United States, net .....   | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 64   | Direct investment .....  | -2,506    | 4,648             | 2,853  | 195    | 252              | 1,348           |
| 65   | U.S. Treasury securities .....   | (18)      | (18)              | (18)   | (18)   | (18)             | (18)            |
| 66   | U.S. securities other than U.S. Treasury securities .....                                    | 1,956     | 1,912             | 544    | 307    | 493              | 568             |
| 67   | U.S. currency .....  |           |                   |        |        |                  |                 |
| 68   | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....       | -404      | -2,101            | -1,117 | -1,108 | 124              |                 |
| 69   | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | 18 4,468  | 18 3,339          | 18 560 | 18 340 | 18 1,577         | 18 862          |
| 70   | Statistical discrepancy (sum of above items with sign reversed) .....                        | -13,266   | -16,090           | -3,376 | -3,577 | -3,815           | -5,322          |
|      | Memoranda:   |           |                   |        |        |                  |                 |
| 71   | Balance on goods (lines 3 and 20) .....  | 6,393     | 5,830             | 1,614  | 1,597  | 1,291            | 1,328           |
| 72   | Balance on services (lines 4 and 21) .....   | 1,745     | 2,029             | 395    | 525    | 569              | 540             |
| 73   | Balance on goods and services (lines 2 and 19) .....   | 8,138     | 7,859             | 2,009  | 2,122  | 1,860            | 1,868           |
| 74   | Balance on income (lines 12 and 29) .....  | 5,471     | 6,033             | 1,337  | 1,498  | 1,515            | 1,683           |
| 75   | Unilateral current transfers, net (line 35) .....  | -296      | -289              | -70    | -71    | -75              | -73             |
| 76   | Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup> ..... | 13,313    | 13,603            | 3,276  | 3,549  | 3,300            | 3,478           |

See footnotes on page 68.

**Transactions, by Area—Continued**  
of dollars]

| Other countries in Asia and Africa |                   |          |          |                  |                 | International organizations and unallocated <sup>16</sup> |                   |          |          |                  |                 |    | Line |
|------------------------------------|-------------------|----------|----------|------------------|-----------------|---|-------------------|----------|----------|------------------|-----------------|----|------|
| 1999                               | 2000 <sup>P</sup> | 2000     |          |                  |                 | 1999  | 2000 <sup>P</sup> | 2000     |          |                  |                 |    |      |
|                                    |                   | I        | II       | III <sup>r</sup> | IV <sup>P</sup> |   |                   | I        | II       | III <sup>r</sup> | IV <sup>P</sup> |    |      |
| 221,704                            | 258,643           | 59,175   | 63,296   | 69,221           | 66,951          | 33,463  | 35,946            | 8,786    | 8,970    | 8,901            | 9,289           | 1  |      |
| 196,110                            | 222,258           | 50,304   | 54,199   | 59,719           | 58,036          | 5,998   | 6,194             | 1,532    | 1,518    | 1,547            | 1,597           | 2  |      |
| 140,421                            | 163,124           | 35,998   | 39,768   | 43,791           | 43,567          | .....   | .....             | .....    | .....    | .....            | .....           | 3  |      |
| 55,689                             | 59,134            | 14,306   | 14,431   | 15,928           | 14,469          | 5,998   | 6,194             | 1,532    | 1,518    | 1,547            | 1,597           | 4  |      |
| 9,324                              | 8,159             | 1,987    | 2,093    | 2,014            | 2,065           | .....   | .....             | .....    | .....    | .....            | .....           | 5  |      |
| 11,385                             | 13,153            | 2,519    | 3,684    | 4,062            | 2,888           | .....   | .....             | .....    | .....    | .....            | .....           | 6  |      |
| 1,583                              | 1,748             | 351      | 461      | 511              | 425             | .....   | .....             | .....    | .....    | .....            | .....           | 7  |      |
| 8,753                              | 9,813             | 2,258    | 2,442    | 2,604            | 2,509           | 555   | 558               | 133      | 141      | 145              | 139             | 8  |      |
| 4,333                              | 4,518             | 1,068    | 1,087    | 1,139            | 1,224           | 1,917   | 2,002             | 482      | 490      | 492              | 538             | 9  |      |
| 19,970                             | 21,413            | 6,044    | 4,581    | 5,515            | 5,273           | 3,526   | 3,634             | 917      | 887      | 910              | 920             | 10 |      |
| 341                                | 330               | 79       | 83       | 83               | 85              | .....   | .....             | .....    | .....    | .....            | .....           | 11 |      |
| 25,594                             | 36,385            | 8,871    | 9,097    | 9,502            | 8,915           | 27,465  | 29,752            | 7,254    | 7,452    | 7,354            | 7,692           | 12 |      |
| 25,519                             | 36,305            | 8,851    | 9,077    | 9,482            | 8,895           | 25,720  | 27,882            | 6,798    | 6,987    | 6,883            | 7,214           | 13 |      |
| 14,866                             | 23,522            | 5,007    | 5,841    | 6,512            | 6,162           | 14,072  | 14,873            | 3,547    | 3,646    | 3,650            | 4,030           | 14 |      |
| 9,602                              | 11,400            | 3,271    | 3,001    | 2,637            | 2,491           | 10,867  | 12,285            | 3,070    | 3,160    | 3,051            | 3,004           | 15 |      |
| 1,051                              | 1,383             | 573      | 235      | 333              | 242             | 781   | 724               | 181      | 181      | 182              | 180             | 16 |      |
| 75                                 | 80                | 20       | 20       | 20               | 20              | 1,745   | 1,870             | 456      | 465      | 471              | 478             | 17 |      |
| -365,989                           | -450,067          | -97,980  | -108,335 | -124,520         | -119,232        | -10,248   | -13,017           | -2,868   | -3,158   | -3,741           | -3,250          | 18 |      |
| -335,570                           | -410,937          | -89,471  | -98,491  | -114,088         | -108,887        | -1,985  | -3,387            | -594     | -642     | -1,377           | -774            | 19 |      |
| -296,863                           | -368,274          | -79,566  | -87,986  | -103,082         | -97,640         | .....   | .....             | .....    | .....    | .....            | .....           | 20 |      |
| -38,707                            | -42,663           | -9,905   | -10,505  | -11,006          | -11,247         | -1,985  | -3,387            | -594     | -642     | -1,377           | -774            | 21 |      |
| -3,926                             | -3,868            | -928     | -993     | -953             | -994            | .....   | .....             | .....    | .....    | .....            | .....           | 22 |      |
| -11,314                            | -12,496           | -2,856   | -3,114   | -3,174           | -3,352          | .....   | .....             | .....    | .....    | .....            | .....           | 23 |      |
| -5,101                             | -5,711            | -1,298   | -1,393   | -1,518           | -1,502          | .....   | .....             | .....    | .....    | .....            | .....           | 24 |      |
| -10,566                            | -12,722           | -2,843   | -3,054   | -3,397           | -3,428          | -1,147  | -1,490            | -315     | -362     | -407             | -406            | 25 |      |
| -309                               | -286              | -66      | -65      | -74              | -81             | -633  | -1,443            | -168     | -170     | -859             | -246            | 26 |      |
| -6,739                             | -6,817            | -1,724   | -1,697   | -1,698           | -1,698          | -205  | -454              | -111     | -110     | -111             | -122            | 27 |      |
| -752                               | -763              | -190     | -189     | -192             | -192            | .....   | .....             | .....    | .....    | .....            | .....           | 28 |      |
| -30,419                            | -39,130           | -8,509   | -9,844   | -10,432          | -10,345         | -8,263  | -9,630            | -2,274   | -2,516   | -2,364           | -2,476          | 29 |      |
| -29,924                            | -38,614           | -8,352   | -9,737   | -10,342          | -10,183         | -8,263  | -9,630            | -2,274   | -2,516   | -2,364           | -2,476          | 30 |      |
| -538                               | -3,258            | -114     | -1,077   | -1,180           | -887            | -5,094  | -5,791            | -1,370   | -1,519   | -1,400           | -1,502          | 31 |      |
| -9,807                             | -13,242           | -2,949   | -3,163   | -3,471           | -3,659          | -3,145  | -3,819            | -898     | -993     | -958             | -970            | 32 |      |
| -19,579                            | -22,114           | -5,289   | -5,497   | -5,691           | -5,637          | -24   | -20               | -6       | -4       | -6               | -4              | 33 |      |
| -495                               | -516              | -157     | -107     | -90              | -162            | .....   | .....             | .....    | .....    | .....            | .....           | 34 |      |
| -16,873                            | -21,003           | -4,178   | -4,006   | -4,881           | -7,938          | -10,060   | -10,079           | -2,519   | -2,514   | -2,175           | -2,871          | 35 |      |
| -7,388                             | -10,857           | -1,497   | -1,645   | -2,224           | -5,491          | -1,520  | -1,235            | -357     | -451     | -197             | -230            | 36 |      |
| -483                               | -502              | -122     | -127     | -125             | -128            | -1,165  | -1,306            | -259     | -100     | -191             | -756            | 37 |      |
| -9,002                             | -9,644            | -2,559   | -2,234   | -2,532           | -2,319          | -7,375  | -7,538            | -1,903   | -1,963   | -1,787           | -1,885          | 38 |      |
| 115                                | 120               | 29       | 33       | 26               | 32              | .....   | .....             | .....    | .....    | .....            | .....           | 39 |      |
| -9,241                             | -15,751           | -7,828   | -10,689  | -723             | 3,489           | -7,858  | -14,334           | -3,518   | -2,009   | -2,749           | -6,058          | 40 |      |
| .....                              | .....             | .....    | .....    | .....            | .....           | 5,494   | 1,586             | -417     | 2,148    | 1,118            | -1,263          | 41 |      |
| .....                              | .....             | .....    | .....    | .....            | .....           | 10  | -722              | -180     | -180     | -182             | -180            | 42 |      |
| .....                              | .....             | .....    | .....    | .....            | .....           | 5,484   | 2,308             | -237     | 2,328    | 1,300            | -1,083          | 43 |      |
| .....                              | .....             | .....    | .....    | .....            | .....           | .....   | .....             | .....    | .....    | .....            | .....           | 44 |      |
| -791                               | 128               | -107     | 16       | 273              | -54             | -1,052  | -1,178            | -248     | -265     | -307             | -358            | 46 |      |
| -1,667                             | -2,015            | -1,125   | -348     | -236             | -306            | -1,052  | -1,178            | -248     | -265     | -307             | -358            | 47 |      |
| 1,365                              | 2,019             | 786      | 398      | 563              | 272             | .....   | .....             | .....    | .....    | .....            | .....           | 48 |      |
| -489                               | 124               | 232      | -34      | -54              | -20             | .....   | .....             | .....    | .....    | .....            | .....           | 49 |      |
| -8,450                             | -15,879           | -7,721   | -10,705  | -996             | 3,543           | -12,300   | -14,742           | -2,853   | -3,892   | -3,560           | -4,437          | 50 |      |
| -17,402                            | -15,881           | -4,415   | -3,040   | -3,726           | -4,700          | -12,940   | -13,737           | -3,251   | -3,392   | -3,465           | -3,629          | 51 |      |
| 3,103                              | 337               | -2,510   | -3,986   | 2,283            | 4,550           | 1,683   | -454              | 175      | 56       | -253             | -432            | 52 |      |
| -2,399                             | -2,880            | -1,696   | 216      | -1,400           | .....           | 13  | -270              | -8       | 10       | .....            | -272            | 53 |      |
| 8,248                              | 2,545             | 900      | -3,895   | 1,847            | 3,693           | -1,056  | -281              | 231      | -566     | 158              | -104            | 54 |      |
| 53,170                             | 64,406            | 5,939    | 21,843   | 12,761           | 23,863          | 30,420  | 1,339             | -2,625   | 5,278    | -3,757           | 2,443           | 55 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | 1   | 5                 | 1        | 1        | 3                | .....           | 56 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | .....   | .....             | .....    | .....    | .....            | .....           | 57 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | .....   | .....             | .....    | .....    | .....            | .....           | 58 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | .....   | .....             | .....    | .....    | .....            | .....           | 59 |      |
| -1,288                             | -1,214            | -52      | -469     | -576             | -117            | 1   | 5                 | 1        | 1        | 3                | .....           | 60 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | .....   | .....             | .....    | .....    | .....            | .....           | 61 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | .....   | .....             | .....    | .....    | .....            | .....           | 62 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | 30,419  | 1,334             | -2,626   | 5,277    | -3,760           | 2,443           | 63 |      |
| 581                                | 11,876            | 1,427    | 7,994    | 1,065            | 1,390           | 4,628   | 4,364             | 1,115    | 1,138    | 1,169            | 1,206           | 64 |      |
| (18)                               | (18)              | (18)     | (18)     | (18)             | (18)            | (18)  | (18)              | (18)     | (18)     | (18)             | (18)            | 65 |      |
| 15,165                             | 36,668            | 7,355    | 10,130   | 5,618            | 13,565          | 293   | -97               | -121     | 7        | 165              | -148            | 66 |      |
| .....                              | .....             | .....    | .....    | .....            | .....           | 22,407  | 1,129             | -6,847   | 989      | 757              | 6,230           | 67 |      |
| 177                                | 8,149             | 2,212    | 3,943    | 1,994            | .....           | 158   | -1,855            | 29       | 64       | 20               | -1,968          | 68 |      |
| 18 38,535                          | 18 8,927          | 18 5,003 | 18 245   | 18 4,660         | 18 9,025        | 18 3,197  | 18 2,471          | 18 3,198 | 18 3,079 | 18 5,871         | 18 2,877        | 69 |      |
| 117,114                            | 163,652           | 44,843   | 37,858   | 48,116           | 32,835          | -35,717   | 145               | 2,744    | -6,567   | 3,521            | 447             | 70 |      |
| -156,442                           | -205,150          | -43,568  | -48,218  | -59,291          | -54,073         | .....   | .....             | .....    | .....    | .....            | .....           | 71 |      |
| 16,982                             | 16,471            | 4,401    | 3,926    | 4,922            | 3,222           | 4,013   | 2,807             | 938      | 876      | 170              | 823             | 72 |      |
| -139,460                           | -188,679          | -39,167  | -44,292  | -54,369          | -50,851         | 4,013   | 2,807             | 938      | 876      | 170              | 823             | 73 |      |
| -4,825                             | -2,745            | 362      | -747     | -930             | -1,430          | 19,202  | 20,122            | 4,980    | 4,936    | 4,990            | 5,216           | 74 |      |
| -16,873                            | -21,003           | -4,178   | -4,006   | -4,881           | -7,938          | -10,060   | -10,079           | -2,519   | -2,514   | -2,175           | -2,871          | 75 |      |
| -161,158                           | -212,427          | -42,983  | -49,045  | -60,180          | -60,219         | 13,155  | 12,850            | 3,399    | 3,298    | 2,985            | 3,168           | 76 |      |

## Footnotes to U.S. International Transactions Tables 1-10

**General notes for all tables:** <sup>P</sup> Preliminary. <sup>r</sup> Revised. <sup>\*</sup> Less than \$500,000 (+/-) <sup>D</sup> Suppressed to avoid disclosure of data of individual companies.

**Table 1**

1. Credits, +; Exports of goods and services and income receipts; unilateral current transfers to the United States; capital account transactions receipts; financial inflows—increase in foreign-owned assets (U.S. liabilities) or decrease in U.S.-owned assets (U.S. claims).

Debits, -; Imports of goods and services and income payments; unilateral current transfers to foreigners; capital account transactions payments; financial outflows—decrease in foreign-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. claims).

2. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, excludes imports of goods under direct defense expenditures identified in Census import documents, and reflects various other adjustments (for valuation, coverage, and timing) of Census statistics to balance of payments basis; see table 2.

3. Includes some goods: Mainly military equipment in line 5; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 22; and fuels purchased by airline and steamship operators in lines 8 and 25.

4. Includes transfers of goods and services under U.S. military grant programs.

5. Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.

6. Beginning in 1982, the "other transfers" component includes taxes paid by U.S. private residents to foreign governments and taxes paid by private nonresidents to the U.S. Government.

7. At the present time, all U.S. Treasury-owned gold is held in the United States.

8. Includes sales of foreign obligations to foreigners.

9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.

10. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.

11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 4.

12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State and local governments.

13. Conceptually, line 76 is equal to "net foreign investment" in the national income and product accounts (NIPA's). However, the foreign transactions account in the NIPA's (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in reconciliation table 2 in appendix A in this issue of the SURVEY OF CURRENT BUSINESS. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables in the August issue of the SURVEY.

**Table 2**

1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SURVEY), except for 1974-81, when they represent transactions values, f.a.s. foreign port of exportation (see July issues of the SURVEY for historical data).

From 1983 forward, both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" monthly data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY).

Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The seasonally adjusted data are the sum of seasonally adjusted five-digit end-use categories (see technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SURVEY). Prior to 1983, annual data are as published by the Census Bureau, except that for 1975-80 published Census data are adjusted to include trade between the U.S. Virgin Islands and foreign countries.

2. Adjustments in lines A5 and A13, B12, B48, and B84 reflect the Census Bureau's reconciliation of discrepancies between the goods statistics published by the United States and the counterpart statistics published in Canada. These adjustments are distributed to the affected end-use categories in section C. Beginning in 1986, estimates for undocumented exports to Canada, the largest item in the U.S.-Canadian reconciliation, are included in Census basis data shown in line A1.

3. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 10, line 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 22 (direct defense expenditures).

4. Addition of electrical energy; deduction of exposed motion picture film for rental rather than sale; net change in stock of U.S.-owned grains in storage in Canada; coverage adjustments for special situations in which shipments were omitted from Census data; deduction of the value of repairs and alterations to foreign-owned equipment shipped to the United States for repair; and the inclusion of fish exported outside of U.S. customs area. Also includes deduction of exports to the Panama Canal Zone before October 1, 1979, and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).

5. Coverage adjustment for special situations in which shipments were omitted from Census data; the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair; and the adjustment of software imports to market value. Also includes addition of understatement of inland freight in f.a.s. value of U.S. imports of goods from Canada in 1974-81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).

6. For 1988-89, correction for the understatement of crude petroleum imports from Canada.

7. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of gold to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: *Industrial countries*: Western Europe, Canada, Japan, Australia, New Zealand, and South Africa; *Members of OPEC*: Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (Excludes Ecuador beginning in January 1993 and Gabon beginning in January 1995.); *Other countries*: Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries" in Asia and Africa.

8. Includes the former German Democratic Republic (East Germany) beginning in fourth quarter of 1990. In earlier periods, the German Democratic Republic was included in Eastern Europe.

9. Beginning in 1986, New Zealand and South Africa are included in "Other countries in Asia and Africa," with New Zealand included as part of "Asia" and South Africa as part of "Africa."

10. The "Euro area," which formed in January 1999, includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain.

**Table 3**

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign governments and international organizations in the United States. Payments (imports) include mainly expenditures of U.S. residents temporarily working abroad and film rentals.

**Table 4**

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A4. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A4 items, part of these military expenditures is applied in lines A43 and A46 to reduce short-term assets previously recorded in lines A41 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A4 expenditures finances future deliveries under military sales

contracts for the recipient countries and is applied directly to lines A42 and C9. A third part of line A4, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A37. A fourth part of line A4, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A48.

2. Transactions under military sales contracts are those in which the Department of Defense sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. Purchases by foreigners directly from commercial suppliers are *not* included as transactions under military sales contracts. The entries for the several categories of transactions related to military sales contracts in this and other tables are partly estimated from incomplete data.

3. The identification of transactions involving direct dollar outflows from the United States is made in reports by each operating agency.

4. Line A38 includes foreign currency collected as interest and line A43 includes foreign currency collected as principal, as recorded in lines A16 and A17, respectively.

5. Includes (a) advance payments to the Department of Defense (on military sales contracts) financed by loans extended to foreigners by U.S. Government agencies and (b) the contraentry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations available to release foreign purchasers from liability to make repayment.

6. Includes purchases of loans from U.S. banks and exporters and payments by the U.S. Government under commercial export credit and investment guarantee programs.

7. Excludes liabilities associated with military sales contracts financed by U.S. Government grants and credits and included in line C2.

**Table 5**

1. Beginning with 1991, payments and receipts of interest related to interest rate and foreign currency swaps between affiliates and parents are netted and are shown as either net payments or net receipts. Receipts and payments of other types of interest are shown on a gross basis.

2. Petroleum includes, and manufacturing and "other" industries exclude, the exploration, development, and production of crude oil and gas, and the transportation, refining, and marketing of petroleum products, exclusive of petrochemicals. "Other" industries includes wholesale trade; banking; finance (except banking); insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining; construction; transportation, communication, and public utilities; and retail trade.

3. Acquisition of equity holdings in existing and newly established companies, capital contributions, capitalization of intercompany debt, and other equity contributions.

4. Sales (total and partial), liquidations, returns of capital contributions, and other dispositions of equity holdings.

**Table 6**

1. Primarily provincial, regional, and municipal.

2. Largely transactions by International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), and Inter-American Development Bank (IDB).

3. Estimate for scheduled redemptions and identifiable early retirements. Includes estimates based on Canadian statistics for redemptions of Canadian issues held in the United States. Unidentified and non-scheduled retirements appear in line A30.

**Table 7**

1. Estimates of transactions other than those with U.S. banks' Caribbean branches and with financial intermediaries (F.I.s) are not available. Preliminary estimates of transactions with F.I.s, by area, are commingled in "other" to avoid disclosure of individual companies' area data.

2. Deposits (line A5) include other financial claims (line A7) for some countries due to the commingling of these categories in foreign source data.

3. Primarily mortgages, loans, and bills and notes drawn on foreigners.

4. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

5. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

6. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.

**Table 8**

1. Includes central governments and their agencies and corporations; State, provincial, and local governments and their agencies and corporations; and international and regional organizations.

2. U.S.-owned banks are mainly U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. U.S. brokers and dealers are identified separately beginning with the first quarter of 1997; prior to 1997, they are commingled with U.S.-owned banks' accounts.

3. Commercial paper issued in the U.S. market by foreign incorporated entities; excludes commercial paper issued through foreign direct investment affiliates in the United States.

4. Negotiable and readily transferable instruments other than commercial paper, payable in dollars; consists largely of negotiable certificates of deposit.

5. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

6. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

7. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.

8. Includes Eastern Europe and international and regional organizations.

**Table 9**

1. Negotiable certificates of deposit issued by banks in the United States are included in banks' custody liabilities and are separately identified in memorandum line 8. Nonnegotiable certificates of deposit are included in time deposits.

2. Includes borrowing under Federal funds or repurchase arrangements, deferred credits, and liabilities other than deposits.

3. Mainly negotiable and readily transferable instruments, excluding U.S. Treasury securities.

4. Mainly International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), Inter-American Development Bank (IDB), and U.S. Trust Fund of the International Development Fund.

5. U.S.-owned banks are mainly U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. U.S. brokers and dealers are identified separately beginning with the first quarter of 1997; prior to 1997, they are commingled with U.S.-owned banks' accounts.

6. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

8. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.

9. Includes Eastern Europe and international and regional organizations.

**Table 10:** For footnotes 1-13, see table 1.

1. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden.

15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also includes taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; before 1996, small transactions in business services that are not reported by country, and net U.S. currency flows, for which geographic source data are not available.

17. Details are not shown separately; see totals in lines 56 and 63.

18. Details not shown separately are included in line 69.

**Table 10a:** For footnotes 1-13, see table 1.

14. Details not shown separately are included in line 69.  
Note.—Country data are based on information available from U.S. reporting sources. In some instances the statistics may not necessarily reflect the ultimate foreign transactor. For instance: U.S. export statistics reflect country of reported destination; in many cases the exports may be transshipped to third countries (especially true for the Netherlands and Germany). The geographic breakdown of security transactions reflects country with which transaction occurred but may not necessarily reflect the ultimate sources of foreign funds or ultimate destination of U.S. funds. Data for individual countries within the European Union (6) may not add to the published totals for the European Union (6), because in several instances estimates for the group are not available for each country. In addition, country data may not add to the European Union (6) totals because of rounding.